

Rachel Bridge

THE SUNDAY TIMES

2nd edition

# HOW I MADE IT

**40** SUCCESSFUL ENTREPRENEURS  
REVEAL HOW THEY MADE  
MILLIONS



# **HOW I MADE IT**

For More Free books PDF

[www.engbookpdf.com](http://www.engbookpdf.com)

*For Harry and Jack*



**THE SUNDAY TIMES**

iii

# **HOW I MADE IT**

**40 SUCCESSFUL ENTREPRENEURS  
REVEAL HOW THEY MADE MILLIONS**

**2nd edition**

**RACHEL BRIDGE**



**KoganPage**

LONDON PHILADELPHIA NEW DELHI

[www.engbookpdf.com](http://www.engbookpdf.com)

**Publisher's note**

Every possible effort has been made to ensure that the information contained in this book is accurate at the time of going to press, and the publishers and author cannot accept responsibility for any errors or omissions, however caused. No responsibility for loss or damage occasioned to any person acting, or refraining from action, as a result of the material in this publication can be accepted by the editor, the publisher or the author.

First edition 2005

Second edition 2009

Reissued 2010

Apart from any fair dealing for the purposes of research or private study, or criticism or review, as permitted under the Copyright, Designs and Patents Act 1988, this publication may only be reproduced, stored or transmitted, in any form or by any means, with the prior permission in writing of the publishers, or in the case of reprographic reproduction in accordance with the terms and licences issued by the CLA. Enquiries concerning reproduction outside these terms should be sent to the publishers at the undermentioned addresses:

120 Pentonville Road  
London N1 9JN  
United Kingdom  
www.koganpage.com

525 South 4th Street, #241  
Philadelphia PA 19147  
USA

4737/23 Ansari Road  
Daryaganj  
New Delhi 110002  
India

© Rachel Bridge, 2005, 2009

The right of Rachel Bridge to be identified as the author of this work has been asserted by her in accordance with the Copyright, Designs and Patents Act 1988.

ISBN 978 0 7494 6052 5

The views expressed in this book are those of the author, and are not necessarily the same as those of Times Newspapers Ltd.

---

**British Library Cataloguing in Publication Data**

A CIP record for this book is available from the British Library.

---

**Library of Congress Cataloging-in-Publication Data**

Bridge, Rachel.

How I made it : 40 successful entrepreneurs reveal how they made millions / Rachel Bridge. — 2nd ed.

p. cm.

ISBN 978-0-7494-6052-5

1. Entrepreneurship—Great Britain—Case studies. 2. Businesspeople—Great Britain—Case Studies. 3. Success in business—Great Britain—Case studies. I. Title

HB615.B7476 2010

3389.04092241—dc22

2009048278

---

Typeset by Saxon Graphics Ltd, Derby

Printed and bound in India by Replika Press Pvt Ltd

# Contents

<i>Preface to the second edition</i>	<i>ix</i>
<i>Acknowledgements</i>	<i>xvi</i>
<b>Introduction to the first edition</b>	<b>1</b>
<b>1. Lizzie Vann</b>	<b>15</b>
<i>Founder of Organix brands</i>	
<b>2. Darren Richards</b>	<b>21</b>
<i>Founder of DatingDirect.com</i>	
<b>3. Maria Kempinska</b>	<b>27</b>
<i>Founder of Jongleurs</i>	
<b>4. Mark Mills</b>	<b>33</b>
<i>Founder of Cardpoint</i>	
<b>5. Penny Streeter</b>	<b>39</b>
<i>Founder of Ambition 24hours</i>	
<b>6. Derek Beevor</b>	<b>43</b>
<i>Founder of Road Tech Computer Systems</i>	
<b>7. Rosemary Conley</b>	<b>49</b>
<i>Inventor of the Hip and Thigh Diet</i>	
<b>8. Raymond Gubbay</b>	<b>55</b>
<i>Founder of Raymond Gubbay Ltd</i>	

<b>9. Trisha Mason</b>	<b>61</b>
<i>Founder of VEF</i>	
<b>10. John Mudd</b>	<b>67</b>
<i>Founder of The Real Crisps Company</i>	
<b>11. Mark Roy</b>	<b>71</b>
<i>Founder of Read Group</i>	
<b>12. Mandy Haberman</b>	<b>75</b>
<i>Inventor of the Anywayup Cup</i>	
<b>13. Ted Smart</b>	<b>81</b>
<i>Founder of The Book People</i>	
<b>14. Mike Clare</b>	<b>87</b>
<i>Founder of Dreams</i>	
<b>15. Stephanie Manuel</b>	<b>91</b>
<i>Founder of Stagecoach Theatre Arts</i>	
<b>16. Harry Cragoe</b>	<b>97</b>
<i>Founder of PJ Smoothies</i>	
<b>17. Rory Byrne</b>	<b>103</b>
<i>Founder of Powder Byrne</i>	
<b>18. Jane Packer</b>	<b>109</b>
<i>Founder of Jane Packer Flowers</i>	
<b>19. Chris Gorman</b>	<b>115</b>
<i>Founder of DX Communications</i>	
<b>20. Mark Ellingham</b>	<b>121</b>
<i>Founder of Rough Guides</i>	
<b>21. Sarah Doukas</b>	<b>127</b>
<i>Founder of Storm</i>	
<b>22. Tim Roupell</b>	<b>133</b>
<i>Founder of Daily Bread</i>	
<b>23. Mark Wilkinson</b>	<b>137</b>
<i>Founder of Mark Wilkinson Furniture</i>	
<b>24. Prue Leith</b>	<b>143</b>
<i>Founder of Leith's</i>	

<b>25. Christopher Wray</b>	<b>149</b>
<i>Founder of Christopher Wray Lighting</i>	
<b>26. Heather Gilchrist</b>	<b>155</b>
<i>Founder of Happitots</i>	
<b>27. Richard Beggs</b>	<b>159</b>
<i>Founder of Moving Venue Group</i>	
<b>28. Duncan Bannatyne</b>	<b>165</b>
<i>Founder of The Bannatyne Group</i>	
<b>29. Angela Wright</b>	<b>171</b>
<i>Founder of Crealy Adventure Park</i>	
<b>30. Daniel Mitchell</b>	<b>177</b>
<i>Founder of The Source</i>	
<b>31. Emma Bridgewater</b>	<b>183</b>
<i>Founder of Bridgewater Pottery</i>	
<b>32. Gerry Pack</b>	<b>189</b>
<i>Founder of Holiday Extras</i>	
<b>33. Zahid Kasim</b>	<b>195</b>
<i>Founder of Café Lazeez</i>	
<b>34. Sharon Hilditch</b>	<b>201</b>
<i>Founder of Crystal Clear</i>	
<b>35. Rik Hellewell</b>	<b>207</b>
<i>Founder of Ovenu</i>	
<b>36. Jill Barker</b>	<b>213</b>
<i>Founder of Green Baby</i>	
<b>37. Matt Stevenson</b>	<b>219</b>
<i>Founder of Reef One</i>	
<b>38. Sally Wilton</b>	<b>223</b>
<i>Founder of Etc Venues</i>	
<b>39. Charlie Bigham</b>	<b>229</b>
<i>Founder of Bighams</i>	
<b>40. Philip Hughes</b>	<b>235</b>
<i>Founder of The Ice Box</i>	



THIS PAGE IS INTENTIONALLY LEFT BLANK

# Preface to the second edition

A lot has changed since I wrote the original hardback version of this book five years ago. In that time entrepreneurship has enjoyed an extraordinary rise in visibility and popularity, thanks in part to television programmes such as *Dragons' Den* and *The Apprentice*. A government initiative has even introduced enterprise education into secondary schools.

A lot has happened to the entrepreneurs profiled in this book too. Five years ago all of them were running incredibly successful businesses which they had started up with very little money. Five years on, nearly half the 40 entrepreneurs featured in the original book have sold their businesses, in every case for millions of pounds and in some instances for substantially more.

There can be few things more life-affirming than throwing off the shackles of paid employment and using your energy and talents to create a business of your own. But as every successful entrepreneur knows, starting up a business from scratch and turning it into a thriving business is actually only half the story. In order to really hit the jackpot

the ultimate dream is to sell that business for a substantial sum too.

The people in this book have proved decisively that it can be done. Gerry Pack, for example, started up his business Holiday Extras providing airport hotel rooms and parking with just £100. He sold it in 2005 for £43 million. Darren Richards started up his online dating agency DatingDirect.com with £2,500 and sold it just eight years later for £30 million. And Mike Clare, who started up his bed retail business Dreams with £16,000, sold it in 2008 for more than £200 million.

So this completely revised and updated paperback edition is in many ways a glorious celebration of the entrepreneurial spirit – of the triumph of hope over negativity, self-belief over self-doubt and proof that following your dream really can lead to the pot of gold at the end of the rainbow.

It is a truly incredible achievement to have created something from nothing and then within a few years sold it for a life-changing amount of money. Armed only with a good idea and a great deal of drive and determination these people have single-handedly changed their own destiny and in many cases that of their families, shareholders and employees too.

For some, selling their business has given them the time and space to indulge in other passions. Having sold his business Holiday Extras, Gerry Pack bought a boat and now spends his time sailing around the world with his wife, while Darren Richards has started up an online property business and bought a handful of bars in Tenerife since selling his business DatingDirect.com.

Others have seized the opportunity provided by selling their business to give something back to society. Lizzie Vann, who sold her business Organix for a substantial

undisclosed sum, has become an active campaigner for healthier children's food and is president of the Organix Foundation charity which funds research into food quality and child health. And Sally Wilton, who sold her conference facilities business for £10 million, has started up a community art house in North London, where all the profits will go to a charity supporting an eco-village in South Africa.

Underpinning all this endeavour is the fact that unlike the traditional model of selling a business at retirement, many of the entrepreneurs featured in this book have been able to reap the rewards of their efforts relatively early on in their lives. Many have sold their business while still in their thirties or forties, thus giving them the time and energy to be able to plough their fortunes into new ventures. Harry Cragoe, for example, who sold his business PJ Smoothies to PepsiCo for a figure understood to be around £20 million, is only 44 years old while Daniel Mitchell, who sold his business The Source for a substantial undisclosed sum in 2005, is just 39.

Of course the really exciting news for every budding entrepreneur out there is that the stories in this book are not simply isolated tales of success. The enterprise climate of our times – notwithstanding the current cloud of credit crunch – has become the ideal arena to start up and then sell a business. There has been a significant shift in culture over the past few years which has greatly helped entrepreneurs prepared to get stuck in and give it a go. Whereas 20, or even 10 years ago the expectation was that someone starting up a business would run it for life and then pass it on to their children when they retired, nowadays there is not only the possibility, there is the expectation, that someone will be looking to sell their business after as little as five years.

Tony Walford, partner of business growth consultancy Green Square Partners, a mergers and acquisitions advisory firm, says: 'Market perception has completely shifted over the past 20 years. Mergers and acquisitions activity used to be the preserve of larger corporate firms, so what you always had was big companies doing big deals with other big companies. But over the last couple of decades we have seen a lot of increasing activity amongst smaller privately owned businesses.'

He adds: 'I don't know of anybody these days who starts up a business and says they want to do it for the rest of their life and then hand it on to their children. There is an expectation that you are going to sell. So entrepreneurs are starting businesses up now with the goal in mind to realise value from selling it. Most of these have a clear business plan, which is to set it up, grow it, make sure it has the right structure and aim to sell it within a given time frame.'

Part of this shift in attitude has been due to the growth in the number of venture capitalists and, more recently, the number of private equity investors who have made it their business to invest in smaller growing businesses with the aim of taking them to the next level and selling them on at a much higher profit after a few years. Whereas venture capitalists are generally keener to focus on larger deals, private equity investors have shown their enthusiasm for deals no matter how small providing the potential is there.

A number of entrepreneurial businesses are also being acquired by larger businesses because of the specific expertise they can provide.

Walford says: 'In the past if a firm wanted to diversify into other areas or achieve growth it would try and do it organically. But nowadays if it doesn't have sufficient cash resources of its own it would probably get a private equity firm or a bank involved and acquire a company that has a

strategic benefit to them. It is often easier to buy a business specialising in a function than to take management time and effort to developing it yourself.'

Of course selling your business for millions of pounds takes a lot more than simply thinking that it would be quite a nice idea. Indeed selling a business can require just as much planning and forethought as it took to set up the business in the first place. So how do you go about getting it right?

The first step is to set up your business with the right structure from the beginning – and that means thinking about its potential saleability even before you have had the launch party. It may sound like madness, but if you already know where you are heading right at the start of your journey, it is going to be a lot quicker and easier to get there. In practise that means focusing on three key things: developing a realistic but flexible business model which will deliver good margins, solid profits and strong growth potential; putting in place a good management structure; and building up a strong and diverse client base.

Knowing where your profits will be coming from is of course key to your business actually being a business and not just a glorified vanity project. If the cost structure is such that the margins will never be big enough to support the business no matter how large it gets, then you are simply wasting your time. Conversely, if a business has the margins but has not yet delivered the profits, then it could still be extremely appealing to a potential buyer because they will be able to see where and how the profits will eventually come through.

Putting in place a solid management structure is also a vital component of creating a saleable business. While most entrepreneurs have to do everything themselves in the early days while getting the business off the ground, it is vital to

start delegating tasks and creating a capable team around you as soon as you can in order to be able to take the business forward. Indeed as an entrepreneur your ultimate aim should be to make yourself redundant so that when the business is sold you are able to simply walk away and it will be able to keep going regardless.

Walford says: 'You have to have a very good management structure in place and a good team around you because a buyer does not want to shell out a load of money and find that the next day the top person leaves and the business is completely centred on that person.'

The third element to focus on is creating a strong client base. That means finding and nurturing loyal, creditworthy clients – and a reasonable spread of them so that your business is not overly reliant on one or two of them. Otherwise if one of your clients goes bust the impact could quickly drag you under too. As a rough guide, you should never let any one customer account for more than 20 per cent of your business.

Graeme Forbes, head of entrepreneurial services at the accountants and business advisers Grant Thornton, says: 'Make sure you are not too reliant on a couple of big customers. Having ten major customers will give your purchaser more comfort than if you have only two.'

Then all you need to do is identify who might want to buy your business. Neil McCulloch, managing director of Solving AEM, a management consultancy, says it is worth trying to identify a list of potential buyers as the chances are that you will already know them because they work in the same industry.

He says: 'Someone who has built their own business and is looking to sell is ninety per cent likely to know the people who end up buying it because they are likely to be a competitor. Your business will be worth more to a competitor or to

a business that is complementary than to anyone else because the buyer will have the opportunity to create some form of consolidation.'

The final step is to get your timing right – not just in terms of what is happening in the market, but also in terms of your own personal life. Often a buyer will want the entrepreneur to stay on to run and grow the business for a few years after selling it, so if you are nearer 65 than 45 then you are going to be less appealing to them.

There are other hazards of leaving it too late. Peter Ibbetson, head of business banking at NatWest, says: 'What some people do is wait too long. They decide they want to retire in two years and start running the business down, not intentionally but by default, because they are not putting in the commitment or the hours they used to. You are far better selling at the top of your business when it is really buoyant and you have lots of customers rather than leaving it a couple of years until you want to retire. Otherwise, by the time you come to sell your sales and profits will be down.'

Ultimately of course, starting up your own business and becoming a successful entrepreneur is about far more than a single minded dash to sell it on a few years down the line for a chunk of cash. And with the odds so heavily stacked against you and a myriad of unknown factors ready to trip you up every step of the way, it would be madness to make selling your business the only goal you have. But when it does work out, then as many of the entrepreneurs in this book have proved, it can be an extremely exciting outcome indeed.



# Acknowledgements

I would like to thank all the entrepreneurs for agreeing to be interviewed again for this updated revised edition and for their continued generosity in sharing their experiences.

I would also like to thank Jon Finch and everyone at Kogan Page for their help and support in turning this project into reality. Thank you to *The Sunday Times*, especially Editor John Witherow, Business Editor John Waples and Managing Editor Richard Caseby. Once again a big thank you to Kathleen Herron for her unfailing encouragement.

Finally, thank you to my friends and family for all their support.

*Rachel Bridge*  
*London*

The publisher would like to acknowledge the following photographic copyrights: 4 © the photo biz; 11 © Martin Beddau @ Cyclops Images; 17 © Paul Chave; 22 © John Deehan; 26 © Chris Close; 39 © Patrick Pope.

# Introduction to the first edition

There is something incredibly exciting about the idea of becoming an entrepreneur. Just like the dashing hero or plucky heroine in the fairy tale, it is all about starting out with nothing but a desire to succeed and then using your wit and skill to overcome hurdles and challenges on the way to eventually triumph over disaster and claim your prize.

Unfortunately real life is not always quite that straightforward. Every year thousands of hopeful entrepreneurs in this country decide to take the plunge and start up a business of their own. And every year thousands fail. Regardless of how you measure it, it is a stark fact that well over half of all start-up businesses fail within the first three years.

So what is it that marks the line between success and failure? Why is it that some entrepreneurs race ahead to glory while others fall at the first hurdle?

As the Enterprise Editor of *The Sunday Times* I am privileged to have been able to spend the past few years talking to entrepreneurs about what makes them tick. This book tells some of their stories. Through personal in-depth interviews, 40 successful entrepreneurs explain how they

managed to defy the statistics and triumph over the odds to turn their dreams into reality. How they got started. How they found the money they needed, how they decided what to do and how they went about it. How they made it a success. But it also tells how some of them made stupid mistakes, how some had doubts, and how others encountered overwhelming frustrations and difficulties. And how for some there were times when everything went wrong and they sat down and wept because it was just all too hard. If you have ever dreamt of starting up a business of your own, this book is for you.

Some of the people included in this book you will already have heard of. Others you may not – although the chances are that you will hear a lot more of them in the future as their success grows. All of them were chosen because they started up their own businesses from scratch and despite everything have survived and thrived. They all have inspiring stories to tell.

There are many theories about what it takes to be a successful entrepreneur and for someone looking in from the outside most of them sound fairly daunting. There is a widely held perception that you have to start young, preferably while you are still at school. That you have to risk everything – give up your steady job, make sacrifices in your personal life, and put your home and life savings on the line. That you have to have been thinking of brilliant business ideas from birth and preferably made your first million by the time you are 17.

The good news is that all these are just that – theories. As you will see as you read this book, the majority of successful entrepreneurs do not belong to a special breed of supermen and women blessed with special powers so that everything they touch instantly turns to gold. In reality most entrepreneurs are people just like the rest of us, who

forget their door keys, lose vital phone numbers and leave things on trains.

They come in all shapes and sizes. They can be old or young, well educated or not, male or female, naturally confident or painfully shy. They can be the type of person who dreams up a dozen new business ideas a day or the sort who has only ever have had one – which may not even be original. In fact what makes the whole idea of becoming a successful entrepreneur so very exciting is that there are no rules.

## Age

Perhaps one of the most reassuring aspects of reading through these interviews is that they explode the myth that you have to start young to be a successful entrepreneur. John Mudd was in his mid-fifties by the time he felt brave enough to take the plunge and start up his own snack company. Stephanie Manuel spent decades secretly dreaming of setting up a theatre school for children while she raised a family of her own. She finally got the opportunity to turn her dream into reality at the age of 44.

Professor Colin Gray, Professor of Enterprise Development at the Open University, says: 'Research shows that many successful entrepreneurs do not actually start off straight away. Instead they acquire the skills they need by working for someone else so by the time they set up on their own they are able to draw on many years of working experience. As a result their businesses often go on to survive longer than others.'

Neither do you have to have shown signs of being entrepreneurial in childhood to make a success of it as an adult. Many of the entrepreneurs included in this book did find inventive ways of making money as children – Mark Mills,

for example, started selling bags of broken biscuits to his school friends at the age of six and by the age of 18 was organising parties in nightclubs. But others were forced by circumstances to curb their creative instincts until they were much older. Rosemary Conley, who went on to create a £13 million business empire of diet books, exercise DVDs, television shows and a nationwide chain of diet and fitness clubs, was a sickly child who suffered from asthma and, in her own words, was not a very significant child. Mark Wilkinson was an unrecognised dyslexic who spent most of his school days staring out of the window.

Professor Marilyn Davidson, Professor of Managerial Psychology at Manchester Business School, says getting the timing right is a far more important element in becoming a success than the age you start at: 'The stage of life you are at matters much more than your actual age. I think someone can become a successful entrepreneur at any age.'

## Inspiration

One of the things that often deters would-be entrepreneurs from taking the plunge is the lack of a good idea. So where do successful ideas come from?

For some people in this book the answer lay in creating something they needed in their own lives. Heather Gilchrist decided to open a children's nursery in Edinburgh because when she tried to find one for her son she discovered that all the good nurseries were already full. Darren Richards set up an internet dating agency because he was single and wanted to find a girlfriend.

Others decide to turn their hobbies into a business. Rory Byrne had skied every year from the age of four in the same resort in Switzerland, so it was a logical step to start up a company offering skiing holidays there. Trisha Mason

bought an old water mill in France for her family to use, but when friends asked for her help in buying properties of their own in France she realised she could use the knowledge she had gained to set up her own business. Some were simply inspired by the belief that they could make a product which was better than anything else out there. Mandy Haberman invented a non-drip drinking cup for toddlers because she realised that there was nothing else on the market which did the job as effectively. Sharon Hilditch invented an anti-ageing machine after working in a cosmetic surgery hospital and deciding that there had to be a gentler way of treating skin.

Still others never actually had the idea themselves – they simply adopted a concept they had already seen working successfully somewhere else in the world. Harry Cragoe decided to start selling smoothies in this country after discovering how popular they were in California. Rik Hellewell got the idea for his oven-cleaning business after a friend returned from a holiday in New Zealand and told him about a mobile oven-cleaning business he had seen.

Ros Taylor, a chartered business psychologist who runs her own practice, says: ‘You don’t have to reinvent the wheel to be a successful entrepreneur. People often find their inspiration from utterly mundane things. The secret is to be able to spot a gap in the market and then be able to fill that gap.’

In fact what is so inspiring is the diversity of areas in which entrepreneurs have been able to flourish. This book includes people who have managed to make fortunes doing everything from selling flowers to repairing computers, from putting on concerts to building gyms.

Professor Gray says: ‘Successful entrepreneurship is basically a successful commercial application of an innovation. That could be a new product or a new process, a new way

of marketing or a new way of organising people. It could even be something which already exists somewhere else but simply put in a new context. The key is being able to turn it into a commercial success.' He adds: 'A successful entrepreneur can look at something and see an opportunity where you or I would just see an everyday thing. And that to me is really quite magical.'

## Finance

One area where many entrepreneurs in this book have had to be particularly inventive is in finding the funds to get their ideas off the ground. With banks nowadays extremely wary of lending money to anyone without a previous track record, most had to approach the problem from another angle.

Daniel Mitchell funded his first company selling office equipment entirely on credit provided by suppliers after he realised that he could pay them 30 days later than his customers paid him. Philip Hughes started his ice-making business with the help of a £5,000 grant from Wandsworth Enterprise Agency.

Indeed the secret for many was simply to think creatively. Jane Packer began her flower business in a workroom in a hotel, getting it rent-free in return for providing the hotel with flower arrangements. Penny Streeter launched her recruitment business from a borrowed desk in the corner of a friend's office.

Professor Gray says: 'Successful entrepreneurs are risk takers, but they are controlled risk takers. They are not reckless. And the best way of controlling financial risk is to get others to share the risk with you.'

For Stephanie Manuel, however, getting the money was simply a case of being in the right place at the right time.

After years of dreaming of starting up a theatre school for children, by chance she met someone at a party who agreed to put up all the money she needed, in return for a 50 per cent share of the business. It does not get much better than that.

## Qualifications

One of the most intriguing aspects of successful entrepreneurs is that many of them left school without any qualifications. Duncan Bannatyne is just one of those interviewed for this book who left school at 15 without an O level to his name. There are a couple of possible reasons for such a link. Without formal qualifications it is not possible to gain entry to the traditional career paths such as accountant, doctor or lawyer, so if people want to become a success they have to find ways of doing it on their own terms. At the same time, if you have never had a chance to prove your ability at school it may make you even more determined to do so later in life.

Professor Gray says that successful entrepreneurs are often highly intelligent people, but they tend to possess other types of skills than those that are purely academic. He says: 'Successful entrepreneurs tend to be brighter than other people and they are usually particularly good at people relationship skills. A key part of being an entrepreneur is having the ability to talk to people and communicate with them and persuade them that their idea is a good one. You often find that a lot of successful entrepreneurs are backed by a loyal team.'

Having a university education does not necessarily extinguish the entrepreneurial spirit, however. Indeed for Matt Stevenson, who got a first class degree from Derby, his final dissertation to design an aquarium filter for specialist corals led directly to a business making fish tanks.



## Risk

The popular image of the successful entrepreneur is someone who is willing to risk everything to take the plunge and follow a dream. However one comforting aspect for those of a more cautious nature is that contrary to the stereotype, it is not always essential to quit your job, remortgage the house and sell the car in order to take the entrepreneurial route. Gerry Pack secretly kept his full-time job with a holiday company for a full year while getting his hotel booking business off the ground, working on it at evenings and weekends until he felt confident enough that it had a viable future to quit his day job. Maria Kempinska continued in her day job as an agent's assistant when she started up her first Jongleurs comedy club and only quit when it was clear that the club was going to be a success.

Chartered business psychologist Ros Taylor says: 'There are those entrepreneurs who have taken big risks but it doesn't have to be that way. You don't necessarily have to jump over the precipice without a parachute. Instead you can plan your venture bit by bit and gradually wean yourself off the company you work for. You don't have to be completely daft.'

Indeed while some entrepreneurs have it all planned out right from the start, others stumbled into entrepreneurship simply by doing what they enjoyed doing and so never had to make a giant leap into the unknown. Mark Ellingham wrote his first Rough Guide travel book because he was not able to find a job after leaving university. It became such a success that it spawned an entire publishing empire. Christopher Wray took up selling antique lamps entirely by chance when as an out-of-work actor he took a stall in Chelsea Antiques Market.

## Motivation

So what exactly is it that drives someone to take the entrepreneurial route? The obvious answer is the chance to make a lot of money. But as the stories in this book show, in most cases money is only part of the answer, and sometimes it does not figure at all.

Some people are driven by an overwhelming desire to prove to others that they are capable of achieving something great. Derek Beavor, who now flies to work in a helicopter each day, says he was determined to prove wrong a teacher who told him to leave school because there was no point in his staying on to take O levels. Sarah Doukas, who set up her own modelling agency, says she is motivated by the desire to prove to her father, who had wanted her to follow a profession as a doctor or lawyer, that she can achieve success on her own terms.

Professor Gray says that while most successful entrepreneurs are driven by an innate self-belief and self-confidence, there are a small group of entrepreneurs who are driven primarily by a fear of failure. The outcome is the same, but the causes are very different. He says: 'What drives them is determined by their own experiences. Criticism early in life leads to a fear of failure whereas praise leads to a need for achievement.'

Either way, says Ros Taylor, successful entrepreneurs are usually not primarily motivated by the desire to become rich. She says: 'Money is not the main driver for entrepreneurs. Instead they are motivated by the desire to be in control, to do their own thing and put their stamp on it. Money comes secondary to that. They would obviously rather have money than not, but their motivation is the excitement of seeing what they believe in come to fruition.'

That is probably why the concept of risking money matters less to an entrepreneur.'

Sibling rivalry can also play an important role. Stephanie Manuel was driven by the desire to prove that she was just as good as her two elder brothers, both of whom had achieved great success in their respective professions. Others are simply motivated by the desire to make a difference. Lizzie Vann started up her baby food company in order to improve the quality of children's food because having suffered from asthma and eczema as a child, she believed there was a strong link between nutrition and health. Harry Cragoe started selling smoothies in Britain because he believed passionately that they were good for people and would improve their lives.

## Attitude

So what does it take to become a successful entrepreneur? It all comes down to having the right attitude.

The first requirement is to have absolute passion and total belief in what you are trying to achieve. Ask Harry Cragoe to tell you about his smoothies and he will happily talk about them for hours. The same passion for their business applies to everyone else in the book. If you do not believe 100 per cent in what you are doing, you will never be able to persuade anyone else – investors, customers, bank managers, partners or employees – to believe in it either.

Psychologist Ros Taylor says: 'The secret is to tap into what motivates you. You are much more likely to make a success of something if you love what you are doing and have a passion for it. It is that passion which will sustain you through the long dark nights.'

The second requirement is an ability to see every failure as an opportunity, not a disaster. Indeed many of the

entrepreneurs in this book did not find success until they had tried several business ventures. When Chris Gorman lost £500,000 setting up a record company which went bust within a year, his first reaction was relief that he had not done it later in life when he might have lost £20 million. His second was to regard the episode as a valuable learning experience because it taught him to stick with businesses he understands.

Professor Marilyn Davidson says: 'If a business fails a true entrepreneur will just pick themselves up and start all over again. They don't dwell on failures; they learn from them and don't let it get them down. But just as important, unlike most other people entrepreneurs will also learn from their successes as well as their mistakes. They will look at things that don't work and analyse why they didn't, but they will also look at things that do work and analyse them too.'

The next requirement is persistence and a refusal to give up. Darren Richards had tried so many disastrous money-making ventures that his friends would tease him about it every time he met them for a drink. But he was determined to prove he could achieve success somehow, and so he eventually did. Professor Davidson says: 'Successful entrepreneurs have this hardiness about them which means that they dwell on the positives rather than the negatives. If there is any light at the end of the tunnel then they will follow it.'

Along with persistence, successful entrepreneurs also need endless amounts of optimism. Ros Taylor says: 'If you ask an entrepreneur how they became so successful, many of them are likely to say they have been really lucky. That answer can be infuriating to other people, especially when it is clear that the entrepreneur has put a lot of hard work into their venture. But they are right in one sense because research shows that if you feel lucky then your chances of

being lucky actually increase.’ She adds: ‘Positive thinkers are much more likely to be successful in everything they undertake because if you feel optimistic you are much more likely to be relaxed – which means you are less likely to be stressed and become ill and have accidents. And so you are likely to live longer. There is a whole pattern of behaviour, which follows from being a lucky and optimistic thinker. They take the view that I can do this, I can solve this, I can make it happen. And so they do.’

A successful entrepreneur also needs to have the ability to spot a potential opportunity, however unlikely, and then make the most of it. Mark Mills made his first million after wondering why no one advertised on the side of post boxes. He was not the first one to spot the opportunity – as the man at the Post Office wearily explained, he was the 50,000th person to have rung them with the idea. But he was the only one of the 50,000 who enrolled on a law degree specifically to see if there was a loophole in the law which would enable him to turn his vision into reality. There was.

Ros Taylor says: ‘To be a good entrepreneur you have got to be good at problem-solving. And that means being an optimist because by looking for a solution to a problem in your mind you are in effect saying that there has always got to be a way to overcome any difficulties. It is having that constant belief that there will always be a way forward that separates successful entrepreneurs from everyone else.’

With that comes the confidence to change direction when it becomes clear that the path you are pursuing is not leading anywhere. Professor Marilyn Davidson says: ‘The secret to success is having the courage to drop an idea when you realise it is not going to work. Successful entrepreneurs are not afraid to start again.’

## Conclusion

So the message of this book is this. It is evident from the diversity of experiences detailed here that there is no blueprint to becoming a successful entrepreneur and no right or wrong way of going about it. What really matters is having the right attitude, which means that if you really want it badly enough, you have as much chance as anyone else of defying the statistics and becoming one of the success stories.

Ros Taylor says: 'We are all much more creative than we think. Everyone has it in them to become an entrepreneur. The secret is to adopt a positive attitude and to raise your eyes towards the horizon. It is about being willing to take a few risks, having the courage to break the mould and not just automatically following a set pattern in your life.'

As the entrepreneurs in this book show, all you really need is the determination to make it work, the persistence to keep at it when things go wrong, and the absolute conviction that anything is possible if you really believe in it enough. And the courage to make up your own rules on the way.

I hope this book will inspire you. Good luck.

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 1

## Lizzie Vann

### Founder of Organix brands

When Lizzie Vann first hit on the idea of making healthy organic food for babies, she decided to draw up a list of the most nutritional ingredients she could find and then mix them together to create the ultimate superfood.

Unfortunately, the three foods at the top of her list were blackberries, lean steak and peanut butter. The experiment was not a great success. She says: 'I ended up with this horrid, grey, slimy mess that looked like a squashed slug.'

Happily her subsequent attempts to create healthy food for children worked rather better. Sixteen years later her company Organix sells £36 million of baby food a year, the company has won numerous awards for food quality and campaigning and Vann has been awarded an MBE for services to children's food.

Brought up in the Midlands, Vann first became interested in nutrition as a child when she suffered badly from asthma and eczema and had to be treated with steroids. She says: 'I felt I needed to understand my illness and as I studied the





way the body's system works, I started to see there were links between food and health.'

She went on to briefly study biology and ecology at Lancaster University, where she also became actively involved in campaigning for social justice. This included volunteering for housing action trusts and helping to set up a wholefood worker co-operative.

Her campaigning took a temporary back seat as she pursued a career as an investment analyst with a firm of actuaries in the City. But after eight years she realised she wanted to get back to the issues she believed in. She says: 'I have always wanted life to feel like it has a coherent pattern to it and makes sense, instead of putting different aspects of your life in different boxes. But life in the City didn't feel like that. It felt very glamorous and exciting and I felt very important earning lots of money but it just didn't feel the right thing to be doing as I turned 30.'

She adds: 'I had always had a very strong belief that society needed to be run in a better way and that ordinary citizens could change things. I started to think there had to be more to life than this.'

Vann decided that the best way she could contribute to making the world a better place was to give infants the best possible start in life by creating baby food using organic products and natural ingredients, without additives or chemicals.

She says: 'Babies and children need good food because their bodies are developing and growing and I wanted to make food that would make a difference to their health. I wanted to be a standard setter for the industry.'

Confident that success was just around the corner she quit her job in the City and began experimenting with recipes in her kitchen with the help of a friend. She says: 'I thought "Oh I can do this, it's easy." I decided I needed half a million pounds and thought "I know people in the City so I'll just go and see them." How naive can you be?'

Unsurprisingly her lack of any experience in setting up a food company did not impress. After being turned down by dozens of venture capitalists and merchant banks she was forced to scale down her ambitions. She started up the company with a more modest £50,000, raised through loans from banks and friends. She was not even able to persuade a British manufacturer to get involved and ended up having to get the first batch of baby food made in Germany.

She says: 'I visited lots of companies that made baby food but they all said "Who are you? Have you ever done this before? What backing have you got?" So there was a bit of a credibility gap.'

Her belief in what she was doing started to pay off only when she took a stand at an exhibition for health visitors in Torquay. She says: 'Baby food had a really bad reputation

for being beige and adulterated with maltodextrin and cornflour, so none of the manufacturers would offer its food at exhibitions because people would turn up their noses at it. They gave away things like calculators instead. But we put out bowls of our baby foods for people to taste. They were bright orange and green and purple because they were made with carrots or spinach or blueberries, and people tried them and thought they were great. You could tell what they were by looking at them and tasting them rather than looking at the label.'

Orders from supermarkets quickly followed. Organix now produces around 50 varieties of food for babies and children up to 10.

Vann has meanwhile become a campaigner for better children's food and in 2003 launched a drive for a children's food bill after drawing up a code of practice for the food industry. She has also set up a Food for Life campaign to improve the quality of school meals which has generated a

### *Fact File*

**Date of birth:** 23 September 1958

**Marital status:** married with three stepdaughters

**Highest level of education achieved:** university (did not complete course)

**Qualifications:** three A levels, qualified investment analyst

**Interests:** organic farming and gardening, reading, politics

**Personal philosophy:** 'Live life in the present. And never forget that information is power. The power of information can change the world.'

huge response among parents and schools. It is contributing to a major shift in the way the government sees the challenge of feeding children in school and the way that society more generally views children's nutrition.

In 2008 Vann sold the business to one of its suppliers, Hero Foods, for a substantial undisclosed sum. She no longer works for the company on a day-to-day basis but has stayed on as president and a trustee of the Organix Foundation charity which funds research into food quality and child health.

Now 50, she says: 'I really believe in the power of people. I believe we can change the world by putting out ideas and raising awareness, by showing different ways of doing things and by being noisy and loud.'

Vann says her outlook on life has always been driven by a combination of energy, passion and optimism. She says: 'If I have a spare hour then I think I can do ten things in it. I'm constantly looking for solutions.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 2

## Darren Richards

### Founder of DatingDirect.com

Lovelorn sceptics seeking proof that internet dating really can work need look no further than Darren Richards, the creator of Britain's largest dating service, DatingDirect.com. When Richards decided to try out the website he had created, he met the girl of his dreams on his second date. He says: 'We got on really well, so at the end of the evening I told her I needed to tell her something. She didn't believe who I was until I showed her my business card.' They were together more than five years before amicably going their separate ways.

Brought up in Worcestershire, Richards always dreamt of setting up his own business. He admits: 'I didn't really pay much attention to getting good grades and certificates at school because I was so confident that I would be working for myself I thought I wouldn't need to convince anyone else of my ability.' When he left school at 16, however, he ended up getting a job as a waiter in a hotel restaurant for several years before going to work as a holiday rep in Gran Canaria. He continued to dream about setting up his own business,



though, and was always coming up with potential money-making schemes, such as a loyalty card for high street shops.

He says: 'My mind was always elsewhere, even when I was waiting on tables in the restaurant. I tried so many different things that my friends would say: 'Oh here comes Darren, I wonder what new idea he has today.'

He was trying to make a living importing electronic toys from Japan when he hit on the idea of setting up a dating service while idly surfing the internet one evening at home. Aged 33 and single, having recently come out of a long-term relationship, he suddenly realised that the internet could be the perfect way of meeting other singletons in his area. But when he searched for an online agency to join he could only find companies based in America. Even worse, none of the sites seemed to take the idea of meeting a new partner online seriously, encouraging members to use silly nicknames such as Sexy Babe and Hot Pants.

He says: 'It was frustrating. I thought I couldn't be the only person who wanted to use the internet to find a serious date.'

Richards drew up a blueprint of what he thought a British online dating service should be like. Then he spent the next three months researching the market, conducting straw polls with people in the street and asking his friends for their views. Encouraged by their response he bought some software and a couple of website magazines. Then he built a simple site where people could post details of themselves.

He says: 'It was a very basic service and didn't work that well. But it was getting a lot of hits and it proved to me there were a lot of people out there who wanted to use it.' Inspired by the success of his prototype, Richards decided to create a fully fledged dating website through which members could contact each other directly.

The first few website developers he approached told him it could not be done but he eventually found someone able and willing to do the job. Richard gave the designer a 20 per cent stake in the company in return for creating a new interactive website and it was launched in 1999 at a cost of £2,500. Within three months it had 40,000 members.

But Richards still had a big problem. In order to start making money he needed to get people to pay for using his service and the only way they would do that was if they could pay online by credit card. Barclaycard, however, was not interested in letting him use its facilities. He says: 'It was a nightmare. I knew the company wouldn't survive unless we could take credit card payments. But we were turned down three times by Barclaycard because they felt that a dating service was a high-risk area in the same category as gambling and pornography.'

Refusing to take no for an answer, Richards drove to Northampton to see the man in charge of applications in



person and gave him a demonstration of the website. The man was so impressed that he agreed to grant credit card facilities on the spot. Barclaycard's decision changed everything. Richards gave up his job importing Japanese toys to concentrate on his internet dating business full time and started charging £15 a month for members wanting to contact potential partners through the site.

He soon discovered that a great number of people were prepared to stump up the money. By 2004, just five years after it was launched, DatingDirect.com had 1.5 million active members and a turnover of more than £10 million, generating a profit of several million pounds. DatingDirect had also chalked up dozens of marriages and babies from people who met via the website. It began supplying a dating service to other websites including Channel 4 and GMTV.

By January 2007 the business had 5 million active members and Richards sold it to French company Meetic for £30 million. Later the same year he started up another internet-based company, [www.propertyindex.com](http://www.propertyindex.com), a portal

### Fact File

**Date of birth:** 8 May 1966

**Marital status:** single

**Highest level of education achieved:** secondary school

**Qualifications:** five O levels

**Interests:** travel, sports cars, taking flying lessons

**Personal philosophy:** 'You only get one crack at a big opportunity so make sure you recognise it and grab it with both hands.'

for renting or selling overseas property. The website already has 150,000 properties registered on it and employs 30 people. Richards also spent some of the proceeds from the sale of DatingDirect.com buying three bars in Tenerife.

Now 42, Richards says he still cannot quite believe that in the space of just eight years he managed to create and sell a business worth millions of pounds: 'I was beginning to think it was never going to happen. But the moral of the story is, if you think you have a good idea then just keep going for it. You may lose some money and waste some time along the way but at the end of the day you have only got to find one idea that works.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 3

## Maria Kempinska

### Founder of Jongleurs

The first time that Maria Kempinska put on a show was at her all-girls convent school during Lent to raise money for charity. It was an unlikely debut into show business but it clearly stood her in good stead. When she sold her chain of Jongleurs comedy clubs a few years ago she received a cheque for £8.5 million.

Brought up by Polish refugee parents on a council estate outside Watford, Kempinska did a lot of voluntary work at the local mental hospital while at school. By the time she left she had set her heart on pursuing a career in psychiatry. But her father refused to allow it, believing that she was too young to deal with such a difficult subject, so she decided to train as a teacher instead. She soon realised she did not want to be part of the school system, however, and started teaching drama in play centres and youth clubs instead.

Kempinska drifted through a series of jobs until in the early 1980s at the age of 23 she was hired to promote a poet who was performing at the Edinburgh Fringe Festival. It was the first time she had been to the festival and she loved



it. More than that, though, it proved to be just the inspiration she needed.

She says: 'I decided that what London needed was a platform for young new talent like they had in Edinburgh.'

She returned to London full of enthusiasm and started looking around for a possible venue for her club where comedians, poets and musicians could perform. Then she remembered an enormous room above a pub in Battersea, south London, where she used to go roller-skating. After persuading the owners to let her use it on a Friday night she talked her bank into giving her a £300 overdraft. Then she started looking for unknown, but talented, performers to appear on stage each week.

'I had very little idea about business', she says. 'But I thought that if the club didn't work and the bank came after me for money then I could sell my bike and pay them back £5 a week.'

She had planned to run the club in partnership with two friends but when they pulled out she decided to go ahead

anyway. She says: 'It was the first time I had done something for myself but I decided I had nothing to lose and so I should just do it.'

She decided to call her club Jongleurs, a medieval term for a wandering minstrel. 'I chose a difficult name because my own name is difficult and once people know it, they don't forget it', says Kempinska. 'So I thought that people wouldn't forget the name Jongleurs that easily.'

It worked. She says: 'The first two Fridays were absolutely packed, and by the fourth week I was getting calls from people asking if they could perform at the club.'

There were, however, a few early adjustments to be made. Kempinska's original plan was to have performers of all kinds on stage, but she quickly decided to focus on stand-up comedians after realising there were not enough other types of performers to choose from.

She started running shows on Saturday nights as well and after six months felt confident enough to give up her day job as an assistant to an actors' agent. A business partner, John Davy, joined the company in 1986 and the two of them ran the shows in Battersea for eight years. It provided a platform for dozens of comedians who have since become household names, such as Arthur Smith, Paul Merton and Mike Myers.

But Kempinska was wary of relying on talent alone. She says: 'I didn't ever want to rely on a performer to spread the word. The venue itself had to be good enough so people would have a good evening's entertainment – and if they saw somebody who eventually became famous it would be a bonus.'

In 1990 she and Davy formed a partnership with Regent Inns, the company that owned the Battersea venue, splitting all the profits made from the venue equally between them, while Kempinska retained the Jongleurs name.

The partnership went so well that they opened a second Jongleurs in Camden, north London. They also decided to open six further venues across the country, with Regent Inns putting up all the money to create purpose-built venues with a bar and Kempinska running the comedy club upstairs. She also decided to provide food and a disco after each show.

‘When working people go out on a Friday or Saturday night they don’t want to go to a room at the top of a scruffy pub which is unkempt and uncared for’, she explains. ‘They want to go to a place where they feel that they are getting an evening out and having a good time.’

When Jongleurs had amassed eight venues the joint venture was put up for sale. It received a couple of offers but in the end Regent Inns itself decided to buy it, giving Kempinska and Davy £8.5 million for their share. Kempinska retains ownership of the Jongleurs name, which she leases to Regent Inns in perpetuity, and has also stayed on as

### Fact File

**Date of birth:** 3 May 1953

**Marital status:** divorced with two children

**Highest level of education achieved:** university

**Qualifications:** five O levels, teaching certificate in English and drama, MA in Psychotherapy

**Interests:** reading, music, opera, theatre, friends and her children

**Personal philosophy:** ‘Find the right shoes to walk in for each occasion and strut your stuff.’

creative director with a contract to provide bookings for all the venues. Using the skills she learnt from running Jongleurs, Kempinska has also started a new music management company called Lockout which includes live shows, television and publishing and recording artists such as Mamas Gun and Sam Heard.

Now 55, she thinks the reason for her success has been her attention to detail: 'The secret is to know what you are there for – and then to do what you do extremely well. It is no good having a venue where the sound is bad and saying you will deal with it next week. You have to deal with it there and then. It is about being the best you can. Do what you want to do, but do it absolutely brilliantly – and do it now.'



THIS PAGE IS INTENTIONALLY LEFT BLANK

## 4

## Mark Mills

### Founder of Cardpoint

If you have ever used a cashpoint machine in a petrol station and been outraged at having to pay £1.75 to withdraw some money, Mark Mills is the man to blame. He got the idea of creating a string of privately owned cash machines after using one in a New York deli. By 2006 the business he founded, Cardpoint, had more than 6,500 machines in petrol stations and shops in the UK, between them dispensing more than £500 million a month and generating a turnover of £98 million a year.

Cashpoint machines were not the first time Mills had managed to turn an idea into a money-making venture. Indeed, his CV reads like a whirlwind tour of entrepreneurial enterprise. He started his first business at 18, his second at 20, his third at 22 and his fourth at 25. Cardpoint was his fifth.

He first discovered the desire to make money at the age of six when he starting selling his friends bags of broken biscuits which his aunt brought home from the factory where she worked. As he grew older, he would borrow his



father's cash-and-carry card to buy boxes of crisps at wholesale prices and sell them at school, undercutting prices charged by the tuck shop.

He says: 'I couldn't see the sense in giving something away if people were prepared to pay for it. I kept spotting opportunities and couldn't understand why people didn't fulfil them. Even as a child I could see that the more effort you put in, the more you got out.'

By the time Mills was 18 he was organising parties in nightclubs, hiring a room for £100 and then charging £5 entry fee for up to 300 guests, making a profit of £1,400 in a single night. He left school at 18 just as BT was being privatised and decided there might be an opportunity to make money by selling new-style payphones, which gave pub owners a better profit margin than the old ones. He did well, but soon decided there was no long-term growth in a business that did not have any recurring revenue.

Mills expanded into mobile phones, but when margins started being squeezed by growing competition he decided

there was no future in them either. So he closed the business and lost £20,000, which took two years to pay off. 'It was a spectacularly terrible judgement', he admits. 'I got out of mobile phones at the worst time – just before the market took off.'

Mills' next venture was to produce a booklet of dialling codes, but that led to a tussle with BT. Instead he turned his attention to creating a referral system that would put insurance brokers in touch with local tradespeople. It was slow to take off, however, and so in 1997 Mills came up with his best idea yet – advertising on the side of postboxes.

He says: 'I phoned the Royal Mail who told me I was the 50,000th person to ring up and suggest it – and the answer was no. But I decided there must be a way round it. I thought perhaps I could produce my own postbox and get the Royal Mail to do the collection from it.'

Unable to get a straight answer out of anyone, Mills enrolled for the first year of a law degree at night school so that he could use the law library and figure out if it could be done. He discovered a quirk in the Telecommunications Act that allowed someone to produce a private postbox, provided it had a lock bought from the Royal Mail, which was paid a fee to collect from it. Mills quickly produced a prototype and then asked the big oil companies if they would be interested in having a postbox in their petrol stations. Nearly all said yes. Then he asked Nestlé, the food company, if it would pay for advertising on the side of the boxes. It said yes too.

There was just one problem. Having developed the business, Mills had no money left to put it into practice. He managed to get six postboxes installed before selling the business to the advertising group More O'Ferrall Adshel, staying on as a consultant. The company quickly installed 1,200 boxes around the country, but when it was taken over

by another firm the postbox business was put up for sale. It was bought by none other than Royal Mail, which promptly took down all the postboxes and replaced them with their own. Mills, however, did not walk away empty-handed. He had cleverly negotiated a sell-on clause in his contract and received about £1 million from the deal.

Mills was out scouting for new ideas in America when he had the idea of operating his own cash machines. Back home in Britain he discovered that only financial institutions were allowed to become a member of the Link cash-machine network, but undaunted he rang every bank in alphabetical order to find one to sponsor him. Right at the end the Woolwich said yes. His first cash machine started operating in March 2000, and two years later the company floated on the Alternative Investment Market with a valuation of £7 million.

Over the next few years the business expanded through acquisition, including the takeover of its largest competitor Moneybox, and by expansion into Europe. Then in 2006 Mills received an offer for Cardpoint of £1 per share, a 50 per cent premium on the share price at the time, valuing the company at £175 million.

But while Mills, who had a 5 per cent stake, wanted to accept the offer, his co-shareholders thought the business could be worth still more. So Mills left the business, stating publicly that he thought the high point had been reached, and sold his shares, giving him a personal fortune of around £9 million.

In 2007 he decided to go into business again, this time buying bungalows and renovating them in order to rent them out. He called the business [www.bungalow.torrent.co.uk](http://www.bungalow.torrent.co.uk).

He says: 'People laugh, but when you look at the pure economics, no one is building bungalows any more, builders knock them down to build houses because of the land value and the population is growing older and fatter so we don't like stairs. And there are more of us. To my mind, reducing supply and increasing demand means that rental prices will only go up, and given the current credit crunch I am buying them at extremely keen prices.' Mills has also been building a commercial property portfolio.

The secret of achieving success, he says, is having the confidence to take risks. He has a sign above his desk that says: 'Failure cannot live with persistence.' Now 38, he says: 'You must not be afraid of failure. If you keep going and never give up then eventually you will turn it round. You just have to keep your nerve and keep your feet on the ground.'

### Fact File

**Date of birth:** 15 August 1970

**Marital status:** married with three children

**Highest level of education achieved:** grammar school

**Qualifications:** three A levels

**Interests:** spending time with family, collecting cars

**Personal philosophy:** 'Give 100 per cent to everything you do – and never give up.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 5

## Penny Streeter

### Founder of Ambition 24hours

The first time Penny Streeter tried to set up her own recruitment agency it went horribly wrong. Buoyed by her success as a branch manager working for another agency, she borrowed £30,000 to rent luxury offices in Croydon and confidently set up in business with her mother. But it was 1989 and within three months of opening, recession hit and demand for her services dried up, leaving her heavily over-borrowed and spiralling into debt.

She says: 'I took very expensive offices and fitted them out from top to bottom with everything I could possibly get. Fancy photocopiers, big desks, designer chairs – you name it. We tried to work as hard as we could but I had over-extended on cash from day one, so when the business started to go backwards my cash flow projections went right out of the window. It was just a vicious circle from there on.'

She struggled on for two years but in 1991 had to close the business, losing every penny of the £30,000 she had invested, including £10,000 she had borrowed from her mother. Streeter says: 'We lost everything. It was terrible. My mother





had put every penny she had into the company. It was basically due to having a lack of business experience. I thought that because I had always been a success I would continue to be a success. But the reality was somewhat different.'

Born in Zimbabwe and brought up in South Africa, Streeter came to England at the age of 16 and went to work as a trainee in an office before becoming a beauty therapist. She soon realised it was not for her, however, and when she walked into a recruitment agency she was offered a job on the spot as a consultant. Streeter flourished and was quickly promoted to branch manager, recruiting her mother to run the other agency owned by the company before deciding to go it alone.

When their business failed in 1991 Streeter briefly returned to South Africa to help her sister run a cabaret restaurant. But when her youngest child caught meningitis she came back to Britain to build a new life here. This time, however, it was in different circumstances. Her marriage had broken down, she was pregnant with her third child and had so little money that she and her children had to

live in homeless accommodation provided by the local council. She says: 'I came back to the UK absolutely penniless. I was at complete rock bottom.'

After months of struggling she decided to get a job in recruitment. But after being interviewed for several positions she realised she wanted to try her hand at starting up her own agency again. 'My mother told me not to be ridiculous. But I knew I could do it. I felt that I had nothing to lose.'

This time round, however, Streeter did things differently. Instead of swish offices and luxury cars, a friend who ran a motor business lent her a small desk in the corner of his office. She explains: 'I had no money and I didn't want to go to the bank because I thought they would laugh me out of the door.' She and her mother worked alternate days so that they could share the care of her children, and in the first few years money was so tight that to make ends meet they worked every weekend as DJs at children's parties.

They started off offering secretarial recruitment but as the business grew they expanded into supplying staff for the financial services sector. Streeter says: 'The difference this time was that I was very cautious about what we were doing. I made sure we built up strong relationships with the people we were recruiting for and listened to exactly what they wanted.' She also ran the company in a very different way. She says: 'I learnt not to waste money. The company was run with maximum cost control.'

In 1996 she decided to move onto the high street and changed the name of the company to Ambition. Then one day she was asked to supply care assistants to a nursing home and suddenly realised that the company had stumbled on an untapped market. Streeter explains: 'It is absolutely essential for a nursing home or residential home to have access to good staff and that they are able to get them immediately, because they are like a hotel that never closes.'

But we noticed that some nursing homes couldn't fill these positions because they were situated in remote parts of Surrey. It was very noticeable that in this area of the market the service the customer demanded just wasn't being given to them.'

So Streeter decided to start supplying care assistants, often driving them to the nursing homes herself in her car to make sure they were able to get there on time. She also soon realised that nursing homes often needed staff at the last minute at any time of day or night and so switched to operating her company 24 hours a day. She also began training care assistants to meet the demand and in 1997 became a licensed nursing agency so that her company could supply nurses on demand as well.

The effort has paid off handsomely. Ambition 24hours is now a national operation with 19 branches across the country. It employs 200 people and has an annual turnover of £65 million.

Streeter, 41, puts her success down to sheer hard work. She says: 'Successful people are the ones who don't switch off from their business. They are the ones who are continually thinking of new ways to move their company forward.'

### Fact File

**Date of birth:** 1 August 1967

**Marital status:** divorced with four children

**Highest level of education achieved:** secondary school

**Qualifications:** none

**Interests:** water-skiing

**Personal philosophy:** 'Take life one day at a time because every day is a different day with new challenges.'

## 6

## Derek Beevor

### Founder of Road Tech Computer Systems

Derek Beevor's photo album would make intriguing viewing. Near the beginning would be a few photographs from his four years in the army when he served with the Parachute Regiment in Northern Ireland. Then, a few pages on, there might be some snaps of him looking like a hippie from the three years he spent travelling round Europe in a Transit van with his girlfriend. They often ran out of money and Beevor was once put in a Greek jail for a month for dancing naked on a restaurant table.

But the most recent photos in the album would show a very different scene – Beevor at the controls of his personal helicopter or standing on the lawn in front of Shenley Hall, the stately home in Hertfordshire which he uses as an office. In the intervening years Beevor, 47, has managed to create from scratch a multimillion-pound business selling computer software to the trucking industry.

There was little indication when he was younger that the Beevor story would turn out so well. Born and brought up



in Watford, he suffered two early losses: at 11 his father left the family and at 14 his twin brother died of cancer. He says: 'We went from being a family of four to being just me and my mum. It was quite tough.'

He left school with no qualifications after his teacher asked the class to write down what subjects they wanted to do for O levels – but then tore up the list Beever had written and told him to leave. He says: 'I was gobsmacked. That afternoon I was gone – mentally scarred for life.'

His involvement with the trucking industry began on a small scale. Back home in Watford after his travels on the Continent and in need of a job, he took the mattress out of his Transit van and started using the van to make deliveries for local companies. One of his first assignments was to deliver bread rolls to McDonald's fast food restaurants, which had just started up in the UK. He worked every hour he could and eventually saved enough money to buy another van, and then another, until six years later he had built his own transport company operating 15 trucks.

‘Being in the Paras taught me that you just have to go for it and not give up’, he says. ‘Once I had one van I wanted two, and when I had two I wanted three. I was probably doing it to get my own back on the teacher who screwed up my bit of paper at school.’

The trucking company was a success, but Beevor realised he was working all week driving trucks and then spending every weekend typing out invoices and sending them to customers. ‘I thought there had to be a bloody machine that can do this. But I discovered that all the computers on the market could only do accounts.’ He was, however, determined to find a solution and so asked a small computer company to write him a program that would do exactly what he wanted. When it came up with something he thought he could improve on, he asked one of the company’s programmers to come and work for him and rewrite it with him.

The result was Roadrunner, a booking and invoicing system for transport companies that automatically invoices customers at the end of the week. After using it in his own trucking company Beevor sold a copy of his software to another transport company. When other trucking companies started asking if they could buy it he suddenly realised he had hit on a winner. Within a few years the software business had become larger than his transport company. So in 1995 he decided to sell the transport operation to concentrate his efforts on growing the software company. Sales went well and by 2004 the business had a turnover of £6 million, with customers including the British Army and all the big transport companies in the UK.

Then Beevor spotted another gap in the market. The introduction of new legislation meant that from May 2006 transport companies were required to replace the paper-based systems which recorded how many hours a driver

spent on the road with a new smart card-based digital recording device. So Beevor spent two years and £2 million developing an online system called Tachomaster, which would enable transport companies to read and analyse the data on the smart cards via the internet. Customers can download the software for free and then pay £1 a week to access the service online. Since it was launched two years ago Tachomaster has already chalked up 2,500 business customers, including Tesco, the AA and DHL. In 2009 it alone is expected to generate a turnover of £4 million, giving RoadTech a total turnover of £10 million.

Beevor now commutes to work at his stately home offices in his Hughes 500 helicopter. He says: 'I'm chuffed to bits about what I have achieved.'

He says however that he has never been driven by the idea of making money. 'Money has got nothing to do with it. I just get a kick out of the business going well. I am really pleased with every sale we make, but I get just as much of a buzz when someone buys something for £99 as I do from a half a million quid deal because it means that someone is

### Fact File

**Date of birth:** 24 June 1955

**Marital status:** married with two children

**Highest level of education achieved:** secondary school

**Qualifications:** none

**Interests:** flying his helicopter, riding motorbikes

**Personal philosophy:** 'Nothing is impossible.'

going to use a product that we have made and hopefully they will be pleased with it.'

Beevor, 53, thinks that much of his success has been due to realising at an early age that if he wanted to achieve something in life it would be entirely up to him to make it happen. He says: 'When I left school I had zero expectations. I just expected to start at the bottom and work my way up. I always knew that I would have to make my own way in life and that nobody was just going to give it to me. I really believe there is nothing you can't do if you put your mind to it and believe in yourself. You just have to listen to your own drummer and not somebody else's.'



THIS PAGE IS INTENTIONALLY LEFT BLANK

## 7

## Rosemary Conley

### Inventor of the Hip and Thigh Diet

When 29 overweight women showed up at Thurnby village hall in Leicestershire on a cold winter's evening, Rosemary Conley knew she had found her passion in life. What she did not know was that this passion would eventually turn her into a household name and transform an £8 investment into a £13 million business empire spanning diet books, exercise DVDs, television shows, a magazine and a nation-wide chain of diet and fitness clubs.

Conley first captured the public's attention in 1988 with the publication of her *Hip and Thigh Diet* book, which has since sold more than 2 million copies. Proclaiming the virtues of eating low-fat food, the diet turned conventional dieting wisdom on its head and Conley into an instant media celebrity. But her seemingly overnight success really began 17 years earlier when her weight ballooned while working in an office as a secretary. After managing to lose two-and-a-half stone she decided to start a slimming club to help others do the same. Her plan was to go one better than



existing clubs by providing grooming advice and exercise classes as well as diet tips.

After trying out her ideas on neighbours round her kitchen table, she spent £8 getting 30 posters printed and booked the local village hall. She charged £1 to join and 25p to attend each weekly session. She says: 'It was so exciting when people got on the scales each week and I could tell them they had lost as much as seven pounds. They were thrilled. I suddenly realised I was doing something to make people happy. That was so rewarding. I didn't look at it as a big money earner, I just did it because I liked doing it.'

Six months later her classes were so popular that Conley left her secretarial job to concentrate on her slimming club. She opened more and more classes to meet the demand and eventually sold the business to IPC Magazines 10 years later for £52,000.

It was an unlikely achievement. After leaving school at 15 without qualifications Conley's CV to date had largely consisted of running Tupperware parties and doing any job

that would allow her to take along her Pyrenean mountain dog, Sheba. She says: 'I wasn't a very significant child. I suffered from asthma and was quite sickly so the expectations of me were zero. Maybe there was a bit of me that wanted to prove I could actually do something worthwhile.'

After the sale of her slimming clubs to IPC, Conley stayed on with the group to oversee the expansion of the clubs across Britain. But while she appeared to have hit the jackpot, the reality was quite different. She says: 'It was one of the toughest times of my life because I hadn't got the experience or the capability to do such a big job. I felt under a lot of pressure and seriously thought I was going to have a nervous breakdown if I carried on.' She managed to struggle on until IPC decided to disband the clubs a few years later, but the long hours also contributed to the breakdown of her marriage.

In the event the pressure of her job indirectly led to the creation that changed her life. Admitted to hospital with gallstone problems, Conley opted to go on a low-fat diet as an alternative to undergoing surgery because she did not feel she had time to spend months recovering from an operation. The diet not only postponed the need for an operation for many years, it also led to dramatic fat loss.

Conley says: 'Right from the start I knew I had hit on something really special. The low-fat diet was an absolute revelation because it worked. I just dropped inches off my hips and thighs.' She got a local radio station to try out her diet on a group of volunteers, and when it worked for them too she wrote the *Hip and Thigh Diet* at the age of 41. She was paid an advance of £750. By the time the updated version was published a year later she was paid substantially more – and bought a silver Jaguar XJS with her first royalty cheque.

She says: 'Looking back, I was so fortunate because by the time I hit the big time with the *Hip and Thigh Diet* book I had already had a 17-year apprenticeship in diet and fitness. So I knew what to do.' She has built on the success of that first book to create a diet and fitness empire that so far encompasses 30 books and 30 fitness DVDs, a *Rosemary Conley Diet and Fitness* magazine, and a franchise chain of 180 Diet and Fitness Clubs with 80,000 members. She also has an online slimming club, [www.rosemaryconleyonline.com](http://www.rosemaryconleyonline.com).

She says that while it certainly did not feel that way at the time, coming close to a nervous breakdown actually ended up changing the direction of her life for the better. She says: 'It was very tough but I wouldn't be where I am today if I hadn't gone through that painful experience. People say that there is no such thing as a mistake if you learn from it. And I definitely learnt from that one.'

Now 62, and awarded a CBE in the 2004 Queen's New Year's Honours List, Conley says: 'The biggest lesson I have

### Fact File

**Date of birth:** 19 December 1946

**Marital status:** twice married with one child

**Highest level of education achieved:** high school

**Qualifications:** RSA in Exercise to Music

**Interests:** animals, skiing, interior design, flower arranging, walking, Christianity

**Personal philosophy:** 'Always have something to look forward to, someone to share it with and always try to make a difference.'

learnt along the way is that you can't know everything yourself. If you want to be successful in anything you have to surround yourself with experts who are able to guide you and educate you. It is no different from someone who wants to become an Olympic athlete – they need to have a good trainer and a good manager. Now I only do the things that I alone can do – and let other people do the things that can be done by someone else.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 8

## Raymond Gubbay

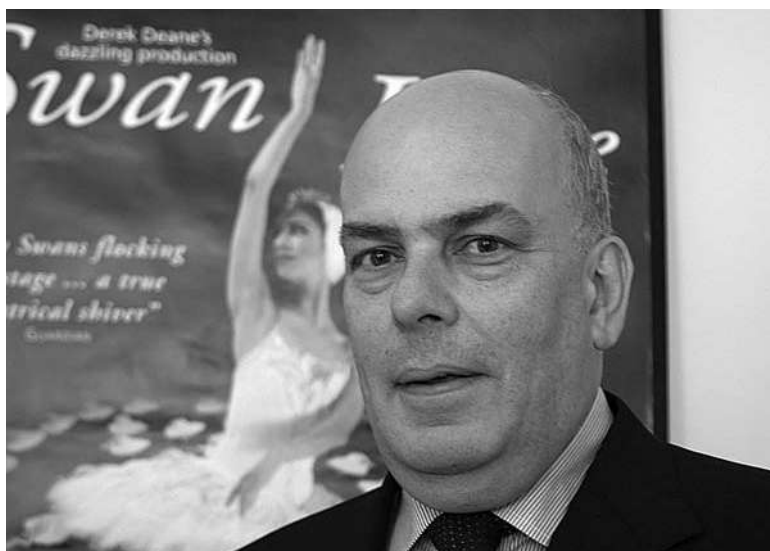
### Founder of Raymond Gubbay Ltd

Concert promoter Raymond Gubbay got his first taste of the performing arts as a child, when his grandmother started taking him to the local theatre on Saturday afternoons. 'Every week there was a different show. We used to sit in the gods for half a crown', he says.

Gubbay also got an early introduction to classical music at home although he did not appreciate it much at the time. 'My mother was a very good pianist and my dad played the violin so there was always music in the house', he says. 'I failed miserably at Piano Grade One and I tended to think it was all rather boring. But clearly it rubbed off on me a bit.'

Brought up in Golders Green, north London, he left school at 16 to be an articled clerk in his father's accountancy firm. But he soon realised it was not for him. 'It was a complete disaster', he says. 'I was just not interested in it. After eight months I was six months behind with the correspondence course. I had to leave because I couldn't stand it.'





His father helped him to get a job at Pathé Newsreel, but he did not excel at that either. So his father introduced him to Victor Hochhauser, a concert promoter who specialised in putting on performances by Russian folk-dance and ballet companies. After an interview that consisted of just three questions – one of which was, ‘Can you start on Monday?’ – Gubbay was given the job of taking folk-dancing companies on concert tours round the country.

After 10 months, however, he decided he had learnt enough to become a concert promoter himself. He had no money apart from £50 his father lent him, but he formed a group of three freelance singers and a pianist and wrote to dozens of theatres and concert halls across the country trying to get bookings for them.

Fortunately, Gubbay’s timing was spot on. The government had recently appointed its first arts minister who was encouraging local authorities to promote the arts and build concert halls. So virtually every town was looking to put on some form of municipal entertainment. Gubbay’s first event

was a Gilbert and Sullivan evening at the Theatre Royal in Bury St Edmunds, Suffolk. It was a big success and he was soon putting together other groups of singers and booking them on tours round the country. By the age of 20 he had 150 bookings a year.

There was, however, the occasional mishap. When one of his groups was supposed to be performing in Nottingham the dates got mixed up. He says: 'I had this phone call at seven o'clock in the evening saying where are you? But we were in London. About three hundred people had to be given their money back.'

As interest grew, Gubbay formed the London Concert Orchestra from a group of freelance musicians and started putting on concerts in London's newly opened Festival Hall and Queen Elizabeth Hall. But the real turning point came when the Barbican Concert Hall opened in London in 1982. Gubbay says: 'That was a big milestone. Virtually every performance was sold out because people wanted to go and see the Barbican and to hear the kind of vocal and orchestral concerts I was putting on. It was wonderful.' In the first year of opening Gubbay held 50 concerts there, and by the second year that had risen to 130 dates and he was credited with helping to save the Barbican during its difficult early years.

Gubbay also started putting on exhibitions at the Barbican in collaboration with the organiser of an antiques fair. By 1988, however, the business climate had become a lot tougher, so he decided to sell his entire company to Emap for several hundred thousand pounds, staying on as managing director.

Emap decided to stage the opera *Turandot* at Wembley but while it was a success with the critics, the public stayed away. Gubbay says: 'I remember going to the boardroom afterwards and saying, well, there is good news and bad

news. The good news is that we have lost under one million pounds. The bad news is not by much.’ Three years later, he bought his company back from Emap – for £1.

It was an inspired move. He says: ‘Buying it back for £1 was the best bargain I ever had. We had had all the disciplines of a publicly quoted company imposed on us, so we were able to run the business in a really efficient way. Turnover went up substantially, and we suddenly found we were making decent profits.’ The company quickly created a niche for itself in the market, with shows such as the Classical Spectacular concerts which it puts on twice a year at the Albert Hall, and by 2004 had a turnover of £18 million. The company now puts on 600 performances a year, including concerts, ballet and opera.

Gubbay, 62, is thick-skinned about critics who dismiss his concerts as populist and lightweight. ‘The critics can be very snooty, but at the end of the day it is about pleasing

### Fact File

**Date of birth:** 2 April 1946

**Marital status:** divorced with two children

**Highest level of education achieved:** secondary school

**Qualifications:** five O levels

**Interests and hobbies:** living in France (has Paris flat and house in Provence), spending time with grandchildren, French wine, art

**Personal philosophy:** ‘I never forget that there are many more important things in the world than show business.’

the public, because they are the ones who buy the tickets', he says. 'I put on the things that I like and I seem to be in tune with what a section of the public likes, and I think that is important. There is a place for everything. I am motivated by seeing an audience enjoying themselves. It gives me a great buzz.'

In 2008 Gubbay sold 75.1 per cent of the business to German entertainment company DEAG in a deal which valued the company at around £10 million. Gubbay has agreed to stay on as executive chairman for three years and still owns around 20 per cent of the business. He says: 'Although I had no idea of selling the company and the offer came as a complete surprise, it was a deal I couldn't refuse. My Mum and Dad would have been very pleased to see how far their original £50 had gone to help me.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 9

## Trisha Mason

### Founder of VEF

When Trisha Mason fell in love with a derelict watermill during a holiday in France 15 years ago, she knew instantly that she had to buy it. It was not the most sensible decision to make. The mill had been left to rot for 40 years and had doors hanging off their hinges. And she was single-handedly bringing up two small children in London, having been widowed a few years earlier at the age of 29. She was making a modest living as a freelance management consultant and had little money to spare. But the mill had turrets and a clock tower, and she was hooked. She says: 'I decided that even if the property fell down around my ears we would still have 18 acres of land. We could put a caravan on it and be happy there.'

Mason bought the watermill for £45,000 and spent the next few summers renovating it with the help of friends. When those friends asked her to help them buy properties of their own in France, Mason decided to see if she could make some extra money that way. So she placed an advert in the paper offering her services as a property scout. She says: 'In the early days I used to meet clients at Dover and



then drive them down to the mill in Limousin in my car. They would stay with me and I would cook them five-course meals and then take them out to look at properties for two or three days. Then I would drive them all the way back to England again. It was exhausting.'

But Mason had always relished a challenge. When her children were small she decided to start a business selling childrenswear and used to stay up all night making clothes. Then, when they began preparing for their O and A levels she opted to take a psychology degree at the same time so that they could all study together round the kitchen table. She admits to being driven by a fear of being bored, saying: 'I have very high energy levels. I love adventure and am always looking for the next challenge. I'm very directed and fast in everything I do. I can't bear people who can't keep up with me.'

Indeed, it was clear to others that she would be a success in business long before she realised it herself. She says that when she was just 19 years old Sir Terence Conran refused

to give her a job as his secretary, saying that if he were to employ her she would probably try to take over his job. Mason says: 'When I got the letter from him turning me down, I rang up and insisted on speaking to him in person to ask why. But it would have been a disaster. He was very astute to recognise it.'

As interest grew in her property consultancy, Mason started taking stands at French property exhibitions in Britain. She quickly realised that the service she was offering in Limousin could be extended to other parts of France. She sold the family home in London and opened three offices, in Charente, Brittany and Normandy, investing the £100,000 equity to set up *Vivre En France*, now known as VEF.

She says now: 'That was a big jump. I invested all of the equity from the house in the business.' She never doubted, however, that the business would be a success and thinks her confidence stems from the tragedy of having being widowed at a young age. She says: 'When you lose the most important thing in your life, the loss of anything else isn't terribly important.'

Happily, her timing was perfect and VEF expanded just as the idea of buying a home in France started to capture the British public's imagination. 'It was lucky it happened when it did. People's interest in buying in France was just taking off and we were really in at the beginning.'

Right from the start Mason opted to do things her way, recruiting native English speakers to run VEF's offices in France as stand-alone businesses, instead of setting up partnerships with local French estate agents as rival companies have done. These guide buyers through the whole purchasing process from translating to legal work for an inclusive fee. She says: 'Most of our clients don't speak French and they need to have someone to hold their hand.'



It is a formula that has worked well. VEF now has 25 offices across France and Mason has added to the business in several ways. In 2005 Mason set up Validus Invest with her son Jake to sell investment property in Central and Eastern Europe. It has an affiliated company, Validus Financial Services, a mortgage brokerage dealing in France, Poland and Spain. Then in 2008 she started up Venturus, a French property company which provides a no-frills alternative to the VEF structure for more independent buyers who are more experienced at buying property overseas.

Mason admits that the overseas property market is not the easiest place to be in the current economic climate but is optimistic that her spread of businesses puts VEF in the best position to weather the storm. Turnover for 2009 is expected to be around £8 million.

Now 63, Mason divides her time between London and the south of France. She says: 'Every time I tell people I

### Fact File

**Date of birth:** 22 April 1945

**Marital status:** widowed with two children

**Highest level of education achieved:** university

**Qualifications:** BSc in Psychology from North East London Polytechnic

**Interests:** growing her own organic vegetables, cultivating her vineyards and olive groves

**Personal philosophy:** 'Life is about giving other people inspiration to do whatever they want to do well. I like inspiring people to achieve things.'

might let my team take over running the company, they ask what I'm going to start next. I have definitely got one more project in me but next time round I would like to do something which is not necessarily about making money. I guess I need to earn my place in heaven with this one. I would just really like to feel that I had done something which had made a real difference to people.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

# 10

## John Mudd

### Founder of The Real Crisps Company

When John Mudd worked for Bensons Crisps, colleagues would comment on how hard he toiled because he was always the last to leave the office. The truth, however, was rather different. Mudd was staying late because he was secretly working out how to set up a crisp company of his own. He says: 'People were saying gosh, John is keen, he's still here at 9 o'clock in the evening. But really I was writing my business plan.'

Brought up on a council estate in Cardiff, Mudd left school at 15 to work as a porter in a fruit market and then as a delivery driver for a bakery. He discovered he had a flair for salesmanship and so got a job selling sausages and cakes from a van. At 28, he joined Smiths Crisps as a salesman and was encouraged to work his way up the company. 'For the first time I had a boss who recognised some potential in me and gave me the opportunity to develop', he says. 'I became a van sales supervisor and then a wholesale rep with a car. That was my first taste of going to work in a suit.'



He ended up as area sales manager, but in 1987 after 15 years he left to join the now-defunct Bensons Crisps as marketing manager. Part of his job was to come up with ideas for new crisps and he decided there might be a gap in the market selling traditional hand-cooked crisps in pubs. The board of the company rejected the idea but Mudd was so convinced it could be a winner that he decided to do it himself – despite the fact that he was already in his early fifties.

He says: 'It was a bit scary and several people told me it was a brave thing to do at my time of life. But I thought it was a good plan. I also thought that if I left Bensons, there wouldn't be a queue of people waiting to offer me a job so I had better do something for myself.' He wrote a business plan and went to talk to an accountant about how to get funding. Then he conducted some rather unorthodox research by putting Marks & Spencer's crisps in plain paper bags and asking people in pubs what they thought of them. When 80 per cent of them said they liked them, Mudd decided to start The Real Crisps Company making similar

crisps. He chose the name Real because it combined his daughters' names, Rebecca and Rachel.

He persuaded a former colleague from Bensons Crisps to join him and between them they managed to amass funds of £135,000, including Mudd's severance package of £25,000 from Bensons and a £100,000 loan from the bank. Then Mudd leased a factory in Wales and opened for business in 1997 with three employees.

It was a daunting experience. Mudd says: 'The fear started to grip me when I realised that a background as a salesman with some marketing experience did not stand me in good stead for other aspects of being a managing director. It was a hell of a learning curve. For the first two years I worked seven days a week, 15 hours a day.'

He started selling his crisps to pubs and shops in south Wales, but soon realised he had a problem. Mudd explains: 'We were working on inadequate cookers and so the product was too oily. We had a few quality problems and so didn't manage to hold onto all the business we initially got.' He also quickly discovered that the business did not have nearly enough money. Around £80,000 of the original £135,000 raised immediately went on buying and installing second-hand equipment and several months' worth of expensive packaging.

He says: 'We could see there were opportunities to expand the business and we had some interest in our crisps from Asda and Tesco. But we were running short of money and it was very difficult. It became pretty obvious that if we didn't get another injection of capital we were going to be in trouble.' So Mudd approached some potential investors and in 1999 decided to sell 80 per cent of the business to Bar & Restaurant Foods, which occupied the site next door to his factory. In return, Bar & Restaurant Foods agreed to underwrite Real Crisps' bank borrowings.

Mudd says: 'It was a difficult decision but I am a realist and I knew that without a wedge of money in the business we were never going to be able to grow it. And if we could not grow it, it would die. Bar and Restaurant Foods actually wanted a bigger chunk of the shares than I was happy to give, but I decided that of the potential investors they were the nicest people to deal with.'

Soon after the deal was done Tesco and Asda started stocking Mudd's crisps. Sales grew strongly and in 2007, just ten years after he started out, Mudd sold the business for an undisclosed sum of at least £10 million.

Now 64, Mudd admits he was motivated partly by a determination to match the achievements of his brother, who became a university professor. He says: 'Having come from humble origins I thought, well, if one brother can do it, why should he be the only one?' He is extremely proud of what he has achieved. 'When I go into a supermarket and see Real Crisps there, I think that whatever happens in the future, I'm the guy who started it', he says.

### Fact File

**Date of birth:** 31 July 1944

**Marital status:** twice married, four children

**Highest level of education achieved:** secondary modern school

**Qualifications:** none

**Interests:** Rugby Union supporter, golf

**Personal philosophy:** 'You have to be straight with people and your word has got to be your bond.'

## 11

## Mark Roy

### Founder of Read Group

Mark Roy's first choice of career was short-lived. He performed with the National Youth Theatre as a child and after taking a degree in creative arts had big plans to become an actor. But when he did not get the first major part he went for, as Romeo in Shakespeare's *Romeo and Juliet*, he promptly decided to forget the whole idea. He says: 'Unfortunately I am not very good at surviving without money. I'm not the sort of guy who can go on for years working as a waiter and attending auditions and being rejected. I decided enough was enough.'

Born and brought up in East Sussex, Roy admits he has always been motivated by the prospect of hard cash. Indeed, when his English teacher praised his acting ability and told him he should try to get into the National Youth Theatre, she bet him £5 that he would not be accepted, simply to spur him on. Roy says: 'She had obviously latched on to the fact that a financial incentive was the way to my heart.'

After being rejected for the part of Romeo, Roy went straight to the pub to drown his sorrows and while he was





there he spotted a vacancy in a newspaper for a job selling advertising space for magazines. He got the position and gradually worked his way up through the publishing world, eventually helping to launch several magazines.

He moved on to become marketing director for a travel company. While he was working there he hit on a new approach to marketing that focused on trying to retain existing customers rather than constantly trying to get new ones. He says: 'I turned the concept on its head and started to look at why a company was losing customers. Because losing fewer customers actually costs less than gaining more customers.'

Inspired by his idea, which he dubbed 'negative marketing', Roy decided to invest his life savings of £25,000 to set up his own consultancy advising companies how to put his ideas into practice. Unfortunately, his timing was terrible. It was 1990 and British firms were battling with recession. He says: 'When I phoned up companies to tell them I had this really great idea, they all said, "Bugger off, we don't need anyone else working on strategy because we haven't got

the money for it.” It was the wrong time, the wrong place and the wrong message.’

But having invested all his savings in the business, Roy could not afford to just walk away. So he took on a contract to supply direct mail companies with a database of people who had recently moved home. Initially creating the database was simply a way of keeping his consultancy afloat, but then one day Roy realised that he could apply his negative marketing concept to direct marketing. He decided to create a database of people who had left their old address, so companies could stop sending them mail.

Roy says: ‘Companies were spending millions of pounds a year mailing to people who had not lived at the address they had for them for years. They were just wasting money. I suddenly realised I had a business proposition to put to organisations. I had created a win-win scenario.’

But mail sent to old addresses was only one problem that needed a solution. When his father died in 1999, Roy suddenly realised there was a huge need to create a way for direct mail companies to stop sending mail to recently deceased people. He says: ‘Mailing to somebody who lived at an address 10 years ago is a pain in the neck. But getting mail for someone who has recently died in your family is another kettle of fish altogether. It is distressing and upsetting. Every morning my mother would be inundated with mail addressed to my father, which would remind her he wasn’t there any more.’

Roy’s solution was to create the Bereavement Register, a database of deceased people which direct mail companies can use to remove names from their lists. Relatives can contact the register at [www.the-bereavement-register.org.uk](http://www.the-bereavement-register.org.uk) and get a name deleted from hundreds of mailing lists. More than 2.8 million people have registered.

Tragically, six months after the register was launched Roy’s wife, Sarah, suddenly died of brain cancer. ‘It really drove home what we were trying to achieve with the

bereavement register', he says. 'My seven-year-old would pick up the post from the doormat and say, "Why do they keep writing to Mummy? She's dead."'

Around 1,566 direct-mail companies have now signed up to receive the Bereavement Register, which cleans almost three-quarters of all direct mail sent in the UK. The Read Group has 65 employees with operations in Paris, Toronto and Australia. Turnover in 2009 is forecast to be £17.2 million, generating a pre-tax profit of £2.4 million.

Roy, 47, says his wife's death made him reassess his priorities. He says: 'Making money is absolutely critical to me and is a fundamental driving force in my life because it gives me choices, but I want to do it in a way that is responsible to other people in my life. I used to work 15 hours a day but now I am home every night to put the kids to bed. I don't want to look back and say, I haven't seen my kids for a decade. It is all about creating a balance in one's life.'

He adds: 'It's nice to be able to do well financially, but it's also nice to lie in bed at night thinking I'm doing some good as well. There are so many people who are pissed off doing the job they do and you think, well why are you doing it? Life is not a rehearsal.'

### Fact File

**Date of birth:** 12 June 1961

**Marital status:** twice married with four children

**Highest level of education achieved:** university

**Qualifications:** BA (Hons) in Creative Arts from University of Kent

**Interests:** golf, wine, cars, gardening

**Personal philosophy:** 'If you don't ask the question, you don't get.'

## 12

## Mandy Haberman

### Inventor of the Anywayup Cup

Mandy Haberman knew that if she was to have any chance of interesting a big supermarket chain in stocking the non-spill toddler cup she had invented, it had to make a big impression. So she filled one with concentrated blackcurrant juice and sent it by post in a white unlined box to the head buyer at Tesco.

Her tactic worked. Within days Tesco was on the phone. And within weeks Haberman's Anywayup Cup was on supermarket shelves, paving the way for worldwide success and making Haberman wealthy. She says: 'I had sent pictures and flyers and empty samples to Tesco before but buyers receive hundreds of things every day. I realised that I needed to give them the wow factor. After all, I had nothing to lose.'

Haberman had never intended to become an inventor. She was the daughter of an art teacher and a scientist and brought up in Hertfordshire, studying graphic design before becoming a full-time mother of three. But when her daughter Emily was born with a condition that made it



difficult for her to suck, Haberman became so frustrated with trying to find a way to feed her baby that she was determined to find a solution. She says: 'I didn't suddenly wake up one day and think, 'Oh, I'll become an inventor.' It was a necessity thing. The driving force wasn't to create a successful product or to make money. It was because something needed to be done and nobody else was doing anything about it. The energy came from anger. I didn't see why other families should have to go through what I went through trying to feed my daughter.'

She started improvising with bits and pieces she found around the house and would spend hours at the kitchen table trying to create a device which would solve the problem. In the end it took five years of research and endless improvising to come up with a workable model. On the way she had to endure a fair amount of scepticism from friends who wondered why she was devoting so much of her time to such an unlikely project.

But Haberman soon discovered that creating a model which actually worked was just the beginning. She had no money of her own to spend on getting a proper prototype made, and so had to raise the £20,000 she needed by writing to hundreds of organisations asking for help. Then she was unable to find a company interested in licensing her product, which she called the Haberman Feeder. But having come this far she was determined not to give in. So she set up her own firm and marketed her product by mail order to hospitals and parents.

Haberman says that in many ways inventing a solution to help her child was a way of taking back some control over what had happened to their lives. 'When you go through a problem like that you are blown with the wind. You can't change the fact that your baby has a problem, but doing something about it to help others was my way of taking control.' The Haberman Feeder is now used in hospitals throughout the world.

By now the inventing bug had taken hold. Haberman came up with the idea for her second invention while visiting a friend's house and watching a toddler spill juice on the cream carpet. The result was the Anywayup Cup, a toddler-training cup that automatically seals between sips. Creating a valve that was completely leak-proof took many attempts, but finding a company prepared to take it on was even harder and Haberman made more than 20 presentations without success. Undaunted, she invested her own money to develop a fully working prototype.

The gamble paid off. She discovered a small Welsh company that was willing to work as sales and marketing agents on commission, and within months 60,000 cups were being sold every week.

But then in 1998 disaster struck. One month after Haberman had granted the Welsh company a manufacturing

licence to produce the Anywayup Cup, and they had taken on a new factory specially to make it, she discovered that a major brand had launched a similar cup using her technology. She decided to take the competitor to court for infringement of her patent rights. After 18 months battling in the High Court her opponent eventually dropped its appeal, paying costs and damages to Haberman and her team.

It was a nerve-wracking process, especially as Haberman realised once the legal process had begun that her family could lose their home if the case went against her. The experience inspired her to start campaigning to promote awareness of intellectual property rights and for a fairer system of enforcement.

She says: 'The experience was horrendous. I came away from it thinking that nobody should have to go through this. I realised I was in a privileged position to make a noise. One thing I've learnt from litigation is that I am a fighter. To find that I can't just roll over was a revelation.'

### Fact File

**Date of birth:** 19 October 1954

**Marital status:** married with three children

**Highest level of education achieved:** art school

**Qualifications:** BA (Hons) in Graphic Design from St Martins School of Art

**Interests:** walking, the arts, good food and wine

**Personal philosophy:** 'If you think outside the box, everything is possible. Sometimes bad things happen in life but I truly believe that inside every bad thing is a brilliant new opportunity waiting to fly.'

Since that initial court case Haberman, who in 2001 was named Female Inventor of the Year, has successfully enforced her patents against multinational companies in the Europe and the United States, to the extent that United States companies now come to ask her for licences rather than risk infringement proceedings. She is a member of several advisory committees and regularly speaks at events and seminars on the subject of intellectual property rights.

Haberman estimates that the total turnover value of her licensed products worldwide is now around £40 million.

She says: 'I experienced at first hand the problems that face the private inventor in the patent system and I am continuing to use my position to raise awareness and promote change in the system, frequently at government level. I am proud and somewhat amazed by what I have achieved and I am particularly delighted that the intellectual property system is now beginning to change. I feel that I have made a worthwhile contribution.'

As well as developing new products, Haberman, now 54, has also turned her attention to tackling childhood obesity with an initiative called 'The Glugs' to promote healthy living amongst pre-school children and their families through fun and entertainment.



THIS PAGE IS INTENTIONALLY LEFT BLANK

## 13

## Ted Smart

### Founder of The Book People

The first job Ted Smart ever had was analysing dog food for Spillers, the pet-food company. It did not go well. He says: 'On my first day I had to open six cans of competitors' dog food and smell them. I threw up and resigned on the spot.'

After working his way through another 14 menial jobs in quick succession he briefly became an air traffic controller at Heathrow airport. But when he was called up to do National Service he decided to head off to Hong Kong instead, where he got a job as a police inspector. While Smart was there he started taking photographs of Hong Kong in his spare time and decided to publish them in a book. He persuaded a printer to let him pay the bill only once the copies had been sold, because he had no money. He also held an exhibition of his photographs, which transferred to London where it was opened by celebrity photographer Lord Snowdon. Smart says: 'I thought, here we go – it really started my life.'

In 1967, however, Smart was badly injured during the Cultural Revolution riots and spent six months recovering



in hospital. Later he discovered that his mother had read in an English newspaper that he had actually died. When he recovered he returned to Britain where he tried his hand at publishing another book, this time of photographs of London. Smart says: 'I was always a belligerent idiot and I didn't want to have someone else making the decision whether to publish this book or not. And it gave me the freedom to do it how I wanted.' He stored the printed books in his garage and drove up to London in a van several times a day to try to sell them direct to bookshops.

Smart did well, but after two years he got fed up with driving books around. So in 1969 he set up a publishing company with a friend, producing photographic books. Their big break came in 1981 with the publication of a big, glossy book about the wedding of the Prince of Wales and Lady Diana Spencer, called *Invitation to a Royal Wedding*. It sold more than a million copies worldwide. Smart says: 'It was simply amazing. It changed everything for us. We had no idea it would be that big.'

Between 1969 and 1988 the firm published more than 600 books. As a small company, however, they often found it hard to sell their publications to bookshops. So one afternoon, on a whim, Smart sent an assistant out to Guildford High Street to try selling books to people working in offices. Within a few hours the employee had sold £400 worth of books, more than the company had managed in the previous fortnight.

The idea of selling books this way refused to go away. When Smart parted company with his business partner in 1988 he decided to build a new company from scratch, basing it entirely around the concept of selling books direct to people who would never normally visit a bookshop. He called it The Book People. He quickly pulled together a team of sales representatives and sent them into offices and factories, where they would leave a selection of books for people to look at and then return the following week to take orders. He says: 'It was controversial at the time because in those days books were only sold through bookshops. But I wanted to go direct to the public.'

Smart also decided to buy outright all the books he needed from publishers instead of returning unsold copies as other booksellers did. This meant that he was able to secure big discounts and so sell his books at much reduced prices. The idea was an instant hit with the public and within two years The Book People had outgrown Smart's former company.

Smart's unique approach did not, however, go down well with other booksellers who felt that The Book People represented unfair competition. Smart is unrepentant. He says: 'I am always being criticised by the industry because I like doing things a different way. But I don't regret a thing. I don't think they understand that I am a great supporter of the industry. Sometimes we just get our wires crossed a bit.'

Not all his decisions were quite so inspired, however. After a few years Smart sold the company to an American firm in return for an annual £600,000 salary and 6 per cent of the gross sales. But after just 12 months he realised he had made a big mistake and bought the business back for £1.5 million. He admits: 'I couldn't stand being told what to do all the time.'

He also got a horrible personal shock in 1991 when he realised he was supposed to have been on the ill-fated Pan Am flight that blew up over Lockerbie. He only missed it because he had just returned from a trip to America and at the last minute felt too exhausted to fly back so soon.

But The Book People thrived and in 2003 Smart sold a stake in the company to American children's book publisher Scholastic for £15 million, leaving him with a 75 per cent stake valued at £75 million.

In 2007 The Book People acquired its competitor, Index, and also bought Puffin Book Club. The Book People now sells 18 million books a year in Britain and has around 2.75 million customers. As a result in 2009 the business is

### Fact File

**Date of birth:** 9 April 1943

**Marital status:** separated with three children

**Highest level of education achieved:** boarding school

**Qualifications:** three A levels

**Interests and hobbies:** watching Manchester United play, gardening, keeping parrots

**Personal philosophy:** 'Work hard but make sure you enjoy life too. And always treat people with respect.'

expected to have a turnover of £100 million. Indeed, it sells so many books that every year its most successful authors, such as celebrity chef Jamie Oliver and Maeve Binchy, come to personally thank the sales team at the company's annual conference.

Now 65, Smart says: 'Everybody can do whatever they want to do if they want to do it. All you need is belief in your ability. When you start something up, there are times when things go fabulously right and times when they go wrong. You just have to keep your nerve.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

**For More Free books PDF**  
**[www.engbookpdf.com](http://www.engbookpdf.com)**

## 14

## Mike Clare

### Founder of Dreams

After 12 years of selling furniture for other people Mike Clare decided it was time he started selling some for himself. It was not the ideal moment – his wife was pregnant with their first child, they were in the process of moving house and he had a good job working as an area manager for a large chain of furniture stores. Clare had just turned 30, however, and suddenly realised it might be the only chance he would have.

He says: 'It was not the best time to start your own business and put everything on the line. But I had been thinking about doing my own thing for years, and as our life was in a phase of change I decided it was a good opportunity to try it. My wife was very supportive and told me I should get it out of my system. She said that if it failed and we were going to have hard times then it was better to do it now rather than later.'

Clare persuaded the bank to lend him £8,000 to add to savings of £4,000. He borrowed another £4,000 on his credit card by claiming it was for a kitchen extension. Then he





took a lease on a former motor-spares shop in Uxbridge and reopened it as the Sofa Bed Centre. It stank of oil but Clare was determined to make it look as good as he could. The night before he opened for business he was still in the shop at midnight on his hands and knees, chipping away at the concrete floor with a chisel to make the doormat fit. On the first day he sold two sofa beds and Clare realised he was on to a winner. He says: 'In the mid-1980s everyone wanted a sofa bed. It was a trendy thing to have and we were on the crest of a wave.'

Brought up in Buckinghamshire, Clare first developed an instinct for making money after his father died when he was 12. He says: 'When my father died I realised that life wasn't going to be as cosy as I had been used to. Suddenly we had to tighten our belts and couldn't go on holiday.' His mother could not afford to keep paying for him to attend a private school so he was transferred to a state school instead where he was teased because of his posh accent. He says: 'It was a big shock and I started to understand that I needed to pay a

bit more attention to money. So I began doing entrepreneurial things in the evenings and at weekends.'

He started by going out on his bike with a bucket on the back to wash people's cars. By the time he was 16 he was buying batches of used tents from campsites and reselling them through ads in the local paper. He says: 'When people came round to see me I pretended I only had one tent to sell in order to get the best price. If there was a rip in it when they opened it up I would have to make up a story on the spur of the moment about how it happened.'

Within two years of opening his first Sofa Bed Centre Clare had added three more stores. However he realised there was a limit to how many more he would be able to open just selling sofa beds so he decided to sell beds too and changed the name of his shops to Dreams to reflect the new focus.

Not everyone approved of the new name, however. Clare says: 'My accountant thought it was a stupid name because it didn't say what we did. But I thought it had mileage. It's like the name Virgin – it can adapt to all sort of things and means we can sell anything relating to sleep, such as

### Fact File

**Date of birth:** 8 February 1955

**Marital status:** married with four children

**Highest level of education achieved:** sixth-form college

**Qualifications:** two A levels

**Interests:** travel, watching rugby

**Personal philosophy:** 'Concentrate on planning, people and passion and always live your dreams.'

pyjamas, bed linen and bedside lamps. It is one of our big strengths.' It certainly struck a chord with customers. Within a year of launching Dreams, beds accounted for 80 per cent of the company's total sales.

When Clare decided to take on the company's first warehouse in the early 1990s, however, it became a financial struggle to stay afloat. He says: 'It was very tough and we really had to tighten our belts. I was in the shop seven days a week for six months. But when your house is on the line it really does focus your mind.'

In 2002 the company also started manufacturing its own beds in a factory in the Midlands, selling them to hotels, nursing homes and universities. Sales took off and by 2008 Dreams had 185 stores across the country and a turnover of more than £200 million. In 2008 Clare, who owned 100 per cent of the business, sold Dreams to Exponent, a private equity firm, for a figure understood to be between £200 million and £250 million. He immediately reinvested £20 million back into the business and although he is no longer involved in the day-to-day running of the business, he goes in one or two days a month to offer his advice.

Now aged 54, Clare thinks success is due to a combination of three things: 'It is partly down to luck, in that maybe our shops were in the right place or we chose a lucky name. It is also due to skill, in that you have to know how to employ the right people. But the most important element of success is hard work. It is not sexy to say it but it is about working very hard. Success comes from a bit of luck, a bit of skill and an awful lot of hard work.'

## 15

**Stephanie Manuel****Founder of Stagecoach  
Theatre Arts**

Theatre first became a passion for Stephanie Manuel at the age of 13 when she became involved with a local community pantomime. By the age of 16 she was putting on shows of her own. She says: 'I started off being a performer but I wasn't content to wait from one Christmas to another for the opportunity to be in a show. So I started a youth drama group and wrote plays and hired halls.'

Brought up in Essex and then Surrey, Manuel left school at 16 to go to secretarial college on her father's insistence and then got a job in an office. But she did not enjoy it and spent every spare moment she could taking part in amateur theatre. 'I spent my days in one boring job after another as a way of making money. But I hated all of them', she says. 'It was only in the evenings, putting on theatre, that I came alive. At one point I belonged to three amateur theatre groups at the same time.'

At the age of 22 Manuel married a professional actor and then had two children. When she took her daughter to join



the local dancing school she ended up enrolling her seven-year-old son as well and he turned out to be the one with talent. But when Manuel tried to find a school where her son could learn how to sing and act as well as dance she discovered that there was nothing available. She decided to start a children's theatre school in a disused school building. But when she asked the bank for a loan it turned her down because she had no business plan.

So Manuel reluctantly pushed the idea to the back of her mind. When she and her husband got divorced she focused her energies on bringing up her children, keeping her passion for theatre alive by writing plays and directing productions for amateur drama groups. But by now she was in her mid-thirties and it was getting hard to see where it would all lead.

She says: 'I was desperate to make headway in the world of musical theatre. But I felt I had messed up my chance of having a proper career because I had just been doing odd jobs that didn't interest me.' Her feeling of failure was made

even more acute because both her elder brothers were achieving great success in their fields, with one an international lawyer and the other partner with a prestigious finance house.

When she was 44, however, Manuel met a bank manager called David Sprigg at a party. The chance encounter changed her life. 'He told me his passion was to start a small business', says Manuel. 'So I said, that's funny because I have a business idea, for a theatre school.' They got talking and decided to start a performing arts school together for children aged between 6 and 16. It would open on Saturdays and after school hours to provide dance, drama and singing classes for children regardless of ability. Sprigg put up the entire initial investment of £8,000 and Manuel gave up her job to run the business full-time while Sprigg stayed on at the bank and helped out on Saturdays.

They opened their first three Stagecoach theatre schools in Surrey in 1988, hiring youth clubs as venues and advertising in the local paper for pupils. The schools went so well that another two quickly followed. Then one day in 1991 a friend of Manuel's asked her if she could open a Stagecoach school of her own. Manuel agreed to make her a joint-venture partner in the school, with her friend running it and Stagecoach taking care of administration and both sides sharing the profits.

When two more friends asked if they could do the same, Manuel realised the business had real potential. So Sprigg quit the bank to work at Stagecoach full-time. Their faith in the venture paid off. More friends asked if they could open schools and by 1993 there were 24 Stagecoach schools.

Joint ventures and managed schools required large amounts of administration so they decided that the best solution would be to franchise the business, with each franchisee paying an upfront fee plus 12.5 per cent of turnover.

The franchising went so well that in 2001 Manuel and Sprigg floated the company on the Alternative Investment Market, raising almost £3 million to expand the business. As part of the deal they took out £800,000 each for themselves and have kept a combined stake of 57 per cent. The company now has a turnover, including franchise income, of £30 million and is valued on the London Stock Exchange at £6 million.

The success of the company was, however, almost derailed in 1998 by the new Children Act. The Act was introduced to protect children being cared for by nurseries and childminders, but Manuel and Sprigg realised it was so badly worded that it appeared to apply to their schools as well. It would have meant being forced to recruit twice as many staff as they had – a potential disaster. ‘It would have reduced profits so much we would probably have had to close’, she says. In desperation, they lobbied the government for a change in the wording and after nine months the Act was reworded to exclude Stagecoach and similar organisations.

### Fact File

**Date of birth:** 3 July 1944

**Marital status:** divorced with two children

**Highest level of education achieved:** secretarial college

**Qualifications:** four O levels, teaching degree in Speech and Drama from London Academy of Music and Dramatic Arts

**Interests:** horses, spending time with children, reading, going to the theatre

**Personal philosophy:** ‘Persistence pays.’

Stagecoach now has 600 theatre schools worldwide that teach 40,000 children and its students are constantly appearing in West End shows, films, television shows and commercials.

Now aged 64, Manuel says she is amazed at what she has achieved. 'It is overwhelming. It is like a dream. If I am brutally honest, I have always wanted to make something of myself. I have always wanted to have some kind of success and make a difference.'



THIS PAGE IS INTENTIONALLY LEFT BLANK

## 16

## Harry Cragoe

### Founder of PJ Smoothies

Harry Cragoe had an early insight into what makes entrepreneurs tick. Most of his parents' friends were self-employed, and at the age of eight he would sit under the table when they came round for dinner and listen to their conversations. He says: 'I would hear them talking about their businesses and what they were doing. I'm sure it had an effect on me as I never really considered a life working for someone else.'

He left school at 18 and started working as a commodity broker in the City but soon quit to set up a company with three friends selling air and water-filter systems. The business took him to Los Angeles where he developed a passion for drinking smoothies, a cold drink made from blended fruit. He says: 'When I left England I was unfit and pasty white, but once I got to Los Angeles I really got into the Californian way of life, going to the gym and running along the beach. And part of that was about putting good stuff inside your body.'



Enthused by his discovery he sold his share of the water-filter company and came back to Britain determined to find a way of bringing smoothies to a new audience here. He became convinced there was a gap in the market for them after visiting dozens of sandwich bars and discovering that in most of them the only healthy drinks in the chilled cabinet were apple and orange juice.

He asked a friend to help him, and between them they raised £100,000 to invest in the venture. Cragoe says: 'I sold pretty much everything I owned to get the business going, including my flat in Battersea, my car and every investment I had. The only things I had left were my clothes and shoes. I totally believed that smoothies would be a success.'

He quickly discovered, however, that none of the juice manufacturers in Britain agreed. He says: 'People would look at me blankly. They didn't think smoothies would work over here, and they were not remotely interested in helping us make them.' But Cragoe refused to give up on his idea. He went back to America and eventually found a smoothie producer over there which was prepared to make

a batch of 40,000 cases for him and freeze them for shipment to Britain.

Back home Cragoe found a designer to create the packaging and then spent 12 hours a day going from store to store trying to find retailers who might be interested in buying his product. He decided to call his drink Pete and Johnny Smoothies, later shortened to PJ, after two of his friends.

The first order was placed by Cullens supermarket in Fulham and in October 1994 they took their first delivery. It was not the best time of year to try to sell a chilled drink which customers had never heard of. Cragoe says: 'It was freezing cold outside and they were twice the price of anything else on the shelf. But half of them sold within two hours of being put on the shelves. It was very exciting.'

It was also extremely daunting. He says: 'It was all quite scary because all the time people in the retail trade were telling us that smoothies were just a flash in the pan and that they would be like alcopops, here today and gone tomorrow. I had many sleepless nights.' He was, however, also convinced they were wrong and to prove it managed to secure orders from supermarket chains Tesco and Waitrose.

British drinks manufacturers were still not interested in getting involved, so Cragoe had to spend two years shipping over frozen smoothies from America – and labouriously thawing out each one individually – before he eventually decided to take the plunge and build a factory of his own in Nottingham. He says: 'It was a major decision to buy our own factory because a factory is a very hungry animal. As you expand you continually need to put more money into growing it and buying more equipment. But it also allows us to have more flexibility in launching new drinks.'

But just as sales started taking off, Cragoe hit an unexpected crisis in his own life. Three years after launching the business and while working seven days a week round the clock, he was seriously injured when he fell off an 80-foot cliff. He had broken his hip, both wrists and a number of other bones. He was supposed to stay in hospital for six weeks but checked himself out after two weeks on crutches, which he had specially made for him. He says: 'I had to be back at the office because there was nobody else there to run the business.'

His unwavering determination to succeed has paid off. By 2004 PJ Smoothies had a turnover of £12 million a year and sold 350,000 bottles a week in 14 different flavours. In 2006 Cragoe, who had taken over the running of the company when his partner left to pursue other interests, sold the business to PepsiCo for a figure understood to be around £20 million.

He now spends his time investing in privately owned companies which he believes have an innovative product

### Fact File

**Date of birth:** 21 January 1965

**Marital status:** married with two children

**Highest level of education achieved:** secondary school

**Qualifications:** 12 O levels, 4 A levels

**Interests:** trout and salmon fishing, mountain biking, tennis

**Personal philosophy:** 'Whatever you do, do it at 110 per cent or don't bother, because the results won't please you or anyone else. And be honest in everything you do.'

or service to offer, where he can play an active role in the management team. This normally means sitting on the board and helping with the company's general strategy, as well as occasionally helping in a specific area such as branding, communications, sales and marketing. His interests currently include an internet-based courier business, a marketing agency, a raw pizza delivery company, a hotel group and a worldwide wine advisory business.

Now 44, Cragoe says people should never be put off trying something new: 'I'm not convinced that having experience is that important to becoming a successful entrepreneur. I think that it is about totally and utterly believing in what you are doing and being passionately committed to it.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 17

## Rory Byrne

### Founder of Powder Byrne

Rory Byrne's love affair with skiing began at the age of four. The youngest of eight children, he was taken on holiday to Grindelwald in Switzerland with his family after his father decided it was time they all learnt the sport he loved. Accommodating the entire family in a hotel was too expensive, however, so Byrne's father bought a caravan and towed it to Grindelwald instead.

Byrne says: 'He persuaded the owner of a caravan site to open in winter so we could park it there. Then my mother and the kids stayed in the caravan while my father stayed in a hotel.' His family returned to Grindelwald every winter to ski and as Byrne grew up he became good friends with local families. By the time he started university he was spending all his holidays there, working as a ski guide.

After graduating from university he got a job in the City with a stockbroking firm. But by the age of 23 Byrne realised he had made a mistake. He says: 'I knew I could not wear a suit for the rest of my life and walk in and out of office buildings. And I didn't like being part of a hierarchy.'





It was like being back at school.’ He decided that he wanted to work for himself and as the only thing he could do well was ski, he started a holiday ski business.

Byrne rented three chalets in Grindelwald for the 1985–86 winter season, produced a brochure with the help of the stockbroker’s production department, and then left his job. He raised £5,000 by selling his car and borrowed £10,000 from his mother. Then he called everyone he knew to see if they wanted to book a skiing holiday with his company. He called the company Powder Byrne as he wanted to teach clients how to ski off-piste, known as powder skiing.

Within a few months he had filled all the 178 nights he had reserved in the chalets. Byrne came back to England the following spring determined to find a way of turning his success into a fully fledged business. He was wondering how to go about it when a friend who worked in the City told him about a fund being launched by the businessman Lord Harris to invest £1 million in 10 entrepreneurs. Byrne got in touch and was taken on.

The fund took an option to acquire 25 per cent of Byrne's company for £7,500. More importantly, it led to lots of publicity for his skiing holiday business and provided two experienced businessmen to sit on the board. Byrne says: 'They were fantastic. One was a financial guru and the other a really good marketer. We got great advice.'

The company grew rapidly and was soon renting 10 chalets in Grindelwald for the season. But in 1989 Byrne made the bold decision to stop using chalets and switch to five-star hotels instead, installing his own staff at each hotel to look after his clients. 'It was the biggest decision I ever made but it was also the best', he says. 'People were demanding better quality and by using hotels we could offer luxury accommodation.' He realised that there might also be a demand for teaching children how to ski so he started up a kids' club which now teaches 1,000 children a year.

In the 1990s, however, things got tough. Byrne says: 'Powder skiing really went out of fashion. Some years the snow was really poor, all the talk was of global warming, and people were saying that skiing would be finished. Even I thought what is going to happen if skiing stops?' By 1999, however, Byrne faced the opposite problem. So much snow fell that the road to Grindelwald was closed and holiday-makers were stranded in the resort.

Fortunately Byrne had a big advantage. He managed to get in touch with some local men he had skied with as a child and through them rented two Puma helicopters. Within hours he had flown out all 140 of his clients. He says: 'Some people were trapped in the resort for ten days but I got all my clients out and they all made their flights home. It was like a military operation. The Pumas lifted the clients out with their luggage slung underneath in nets.' Byrne footed the bill for the operation which came to £20,000.

Byrne thinks much of the secret of his success has been due to his eye for detail. 'I am always looking at ways of doing things better', he says. 'I have a phenomenal eye for detail which in the office can be positively annoying. Visually I am a perfectionist and I will pick up on the tiniest thing that isn't important to anyone else but me. When I see something wrong I want to put it right.'

Powder Byrne now offers skiing holidays at 11 resorts in Switzerland and France and handles up to 8,000 customers each season, 85 per cent of whom are repeat clients or have been recommended by friends. The firm also operates a summer season in nine resorts around the Mediterranean. In the past four years it has also branched out into two new areas. In 2005 Byrne started up a franchise business, PB Kids, which provides childcare services in five-star hotels around the world, and in 2006 he launched Powder Byrne Property which builds and sells luxury bespoke chalets. Owners can then arrange for Powder Byrne to manage the property and rent it out to their customers. As a result total turnover for Powder Byrne in 2009 is expected to be around £16 million.

### Fact File

**Date of birth:** 1 July 1961

**Marital status:** twice married with six children

**Highest level of education achieved:** university

**Qualifications:** BSc (Hons) in Mathematics from London University

**Interests:** skiing, sports cars, boats, rugby and wine

**Personal philosophy:** 'Why be ordinary when you can be extraordinary?'

Aged 47, Byrne now lives in Switzerland full-time and owns 100 per cent of the business. He still does not think of himself as the owner, however, saying: 'I have never felt that Powder Byrne was mine. I don't associate the name with my surname. From the first day I started my own company the only way I managed to sleep at night was to believe that I was working for somebody else and that the company just happened to be called Powder Byrne. I never considered myself to be the owner of the company because otherwise I wouldn't be able to switch off from it and shut the door of the office and walk away. And you have to be able to do that.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 18

## Jane Packer

### Founder of Jane Packer Flowers

When Jane Packer got a call early one Monday morning asking if she could drop everything to meet someone to talk about wedding flowers, she almost said no because she had been working all weekend and was exhausted. However, when the caller insisted, she relented – and went round to discover that the bride-to-be was none other than the Duchess of York.

It was the first time a tiny shop had been chosen over a long-established firm to provide the flowers for a royal wedding and suddenly Packer was front-page news. She says: 'I was coming back from the market one morning when they announced on the radio that a 26-year-old florist had been chosen. By the time I got back to the shop there were six journalists waiting outside.'

Packer first became interested in flowers while still at school when she got a Saturday job in a traditional florist's shop near where she lived in Grays, Essex. She says: 'It started off as a way to earn pocket money, but as soon as I



started working there I got hooked. Nobody really understood why because flower arranging was the kind of thing that old ladies did on a Thursday night.'

After leaving school at the age of 17 she started working in the shop full-time but it was not until she started a floristry course in London that she discovered how creative flowers could be. She says: 'The girls who worked in the London shops would come in with these fabulous bunches of flowers and I would just have a little bunch of chrysanthemums that I'd carried up on the train. It opened up a whole new world for me. In the shop where I worked people only bought flowers for weddings and funerals.'

She moved to London herself and got a job as a florist in a hotel. When she decided to move on after two years at the age of 21, the manager told her that if she ever decided to start up her own floristry business she should come and see him. Three months later she was back, having realised that his offer of help was too good to walk away from. The manager gave her a rent-free workroom in exchange for

doing the hotel's flowers and after securing a £500 overdraft, Packer was in business. She decided that a good place to start getting orders might be the gentlemen's clubs on Pall Mall. But she did not have enough money to print brochures so she decided simply to send them a bouquet instead – and quickly discovered that it was a much more effective way of getting her flowers noticed and getting business.

After a year her flowers were selling so well that Packer moved into her own premises in a former café in the West End, but it was harder work than she had imagined. She says: 'I was very naive. I quickly found that the only way I could afford to pay the rent was by working seven days a week, going to market at 5 am and often working through the night. For the first four years I hardly stepped foot outside the door.' Her mother would travel up from Essex one day a week to help with her accounts.

Having her own place also gave Packer a chance to develop her own style. She says: 'I banned carnations and chrysanthemums from the shop and bought all the country flowers I could find. I used to buy sunflowers from a farmer and would go out to meadows at the weekend and pick wild flowers like stock and cow parsley. I have always thought that one beautiful flower in the right vase says as much as a hundred flowers.'

Her individual style was quickly noticed. Magazine stylists started coming into the shop in search of inspiration and soon she was asked to write a book. Its success prompted so many requests from people to learn about her methods that in 1990 Packer decided the simplest solution would be to open her own floristry school. She and her husband-to-be sold the flat they were living in and bought an old house with a basement which they converted into classrooms. They lived in squalor in the rooms upstairs until they could afford to renovate the rest of the house. It



was a sound move. The school was such a success that within weeks of opening she was approached by a company who wanted to open a Jane Packer school in Japan. Another followed in Korea.

In 1994, however, the company was thrown into crisis after two big clients went into liquidation owing a lot of money. Packer says: 'I didn't know if I could survive this. The bank sent surveyors round to value our house and I was so angry at their callousness. What was so infuriating was that it was through something that was no fault of our own.'

Happily, the company pulled through and now has nine retail outlets including Japan, Korea, New York and the UK, where it supplies flowers for Gordon Ramsay's restaurants. In 2005 Packer also started up a flower delivery service called Jane Packer Delivered, which will deliver flowers next day anywhere in the UK. As a result turnover for 2009 is expected to be £7 million.

Packer, now 49, thinks her success has a lot to do with her positive outlook on life. She says: 'I'm always optimistic. I never stop to think whether something is achievable or not,

### Fact File

**Date of birth:** 22 September 1959

**Marital status:** married with two children

**Highest level of education achieved:** secondary school

**Qualifications:** five CSEs

**Interests/hobbies:** cooking, reading, theatre and film

**Personal philosophy:** 'Tomorrow is another day. I am forever optimistic, nothing gets me down for too long.'

I just always think, oh I can do that, it will turn out fine. The only problem is that I can get half way and then discover I have bitten off more than I can chew. I remember trying to make strudel pastry once – I ended up with it stretched all the way around the kitchen.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 19

## Chris Gorman

### Founder of DX Communications

Chris Gorman showed his first signs of entrepreneurial flair at the age of 13. He did a paper round each day and persuaded the shop owner to let him organise delivery of all the newspapers because he thought he could do it better. He says: 'It cost the owner fifty pounds a week to run the paper round, so I told him I would still do it for the same money but keep any profit for myself. I reorganised some of the rounds and was able to get the whole thing done for forty pounds. So I went from making two pounds a week doing a round to making ten pounds a week managing it.'

Brought up in a poor area of Hartlepool, Gorman left school at 16 to become a management trainee with a local supermarket. His ambition was to become manager of the store by the time he was 30 and to earn £30,000 a year. Then one day he read Dale Carnegie's classic book *How to Win Friends and Influence People*. It changed his life. He says: 'Everything in the book rang so true, the fact that we have this amazing opportunity in life if only we grasp it. I started to wonder whether I really wanted to spend the next



thirteen years becoming a store manager or whether I was going to do something different with my life.'

He was sufficiently inspired to quit his supermarket job and became a self-employed salesperson selling LED display screens to businesses around Newcastle. He moved on to selling mobile phones and answering machines, and by the time he was 20 was earning £35,000 a year.

Gorman was convinced that mobile phones had huge potential, so he moved to London where he got a job selling them to large corporate clients. He was extremely successful at it but when his wife became pregnant they decided to move to Scotland and things took a turn for the worse financially. It was 1990 and the housing market had just crashed, wiping £30,000 off the value of the house Gorman had bought in Wimbledon. He had to take out a personal loan at 26 per cent interest to pay back the mortgage company. Then when he got a job selling mobile phones in Scotland he faced strong initial resistance from customers.

Gorman says: 'At my first meeting the guy said, "I really enjoyed your pitch, but I wouldn't buy anything off an Englishman." I went home that night almost in despair.' But he refused to give up and started spending three nights a week in the local library finding out everything he could about potential customers. His research paid off. Within 18 months he had become the best salesperson in the company and earned enough to pay off all his debts and put down a deposit on a house.

Having gone as far as he could within the company, however, Gorman decided it was time to do something for himself. So he left his job and invested £25,000 to become a founder shareholder in DX Communications, one of the first companies in the UK to sell mobile phones through retail shops. It was an inspired idea. Between 1995 and 1999 the company opened 140 stores and grew from £100,000 turnover to £70 million. Just before Gorman turned 30 the company sold a 25 per cent stake to BT Cellnet for £4 million, of which £1 million went straight to Gorman. He says: 'It was a life-changing moment. I ran into the house, saying "We made it, we made it."' He received a further £6 million when the rest of the company was sold to BT Cellnet for £42 million.

His next attempt at making money was not so successful, however. He invested £500,000 in setting up a recording studio and record label, but within a year had to close it down, losing his entire investment. He is philosophical about the loss, saying: 'It was a great learning experience for me to feel the pain of failure. It was the wrong place at the wrong time and it was better it happened then than when I had £20 million to lose.'

Undaunted, Gorman decided to turn his attention instead to the internet, and in 1999 invested £200,000 to start up an internet consultancy called Reality Group. On this occasion his timing was spot on. Within seven months he had

90 people working for him and an order book of £8 million. After just 15 months he sold the business to GUS for £35 million, reaping a personal profit of £14 million.

Gorman then joined forces with the Scottish entrepreneur Tom Hunter to take a majority stake in the ailing retail chain The Gadget Shop. A year later the pair also bought the Birthdays group, a national card and gift retailer, with the aim of turning both round with Gorman at the helm. The Gadget Shop and Birthdays achieved good results but a bitter shareholder dispute caused the closure of the former and sale of the latter.

Gorman however has gone from strength to strength. He is now a non-executive director of seven businesses including Quintessentially, Purple Lounge, Obsidian and Getfit and has appeared on several business-related television shows. He has collected many business awards for his entrepreneurialism over the years and in 2005 received an OBE in the Queen's Birthday Honours list for services to

### Fact File

**Date of birth:** 25 December 1966

**Marital status:** married with four children

**Highest level of education achieved:** secondary school

**Qualifications:** five O levels

**Interests:** travelling, playing and writing music, films and charity work

**Personal philosophy:** 'Good things come to those that wait, but only the things left by those that hustle.'

business. In the same year he worked alongside Midge Ure and Sir Bob Geldof helping to organise the Live 8 concert from Murrayfield as part of the Make Poverty History Campaign.

Meanwhile his time spent in the music business over 10 years ago has not been wasted. He is now music advisor to online social networking site Bebo and director of Lucid PR, a public relations firm in the music industry. He has even put his recording studio to good use for a new band he is managing called Tamikas Treehouse which has his 18-year-old son Blair as lead singer.

Now 42, Gorman says the secret to being successful is all about seizing opportunities. He also believes that experiencing failure is an essential part of becoming a successful entrepreneur. He says: 'One of the things I love about America is that people accept failure as a natural part of entrepreneurialism. Unfortunately, in the UK, if you fail at something, all too often nobody wants to know you again. But failure can be one of the best lessons. Fear of failure stops people doing great things but learning from failure helps you achieve even greater things.'



THIS PAGE IS INTENTIONALLY LEFT BLANK

## 20

## Mark Ellingham

### Founder of Rough Guides

Mark Ellingham had always dreamt of becoming a journalist, but when he graduated from university with a degree in English he could not find a job. So he went on holiday to Greece for a couple of months instead. While he was there Ellingham realised there might be a gap in the market for a guidebook that combined practical advice with a real insight into the country's culture. He wrote a couple of chapters and when he returned home managed to find a publisher who agreed to pay him an advance of £900 to finish it.

Neither he nor his publisher was prepared, however, for the scale of the book's success. Within weeks of publication, the *Rough Guide to Greece* had to be reprinted twice. Ellingham, who was brought up outside Salisbury by his mother, a social worker, says: 'There hadn't really been a new guidebook series of any note since the 1950s, so in retrospect it was a golden time to write it.'

The publisher quickly agreed to a series of Rough Guides on other destinations. So Ellingham wrote the guides to



Spain and Portugal himself and commissioned friends to write others, editing them in a makeshift office he set up in his housing association flat in Camberwell, south London. Not everyone was enamoured with the Rough Guide concept, however. Ellingham says: 'The first time the publisher tried to sell it to America it got a telex back saying that the name was off-putting. I think if I had planned it, I wouldn't have come up with a name that was quite so daft.' However the title could have been a lot worse. While he was at university Ellingham started up a student magazine called *April Makes Me Vomit*.

Ellingham was busy editing the fifteenth Rough Guide book when the publisher was unexpectedly taken over by another company. The new owners promptly decided that the Rough Guide imprint did not fit in with its plans and put it up for sale. Fortunately Ellingham had inserted a clause in his contract stating that the Rough Guide imprint could only be sold with his permission. So he and a couple of friends, John Fisher and Martin Dunford, who had been

helping him write and edit the books, decided to buy it themselves. He says: 'I wanted to have a say in what happened to us. In the end there was only one bidder that I approved of. And that was me.'

Ellingham was 26. He says: 'It was a nervy time. I remember the guy who was negotiating with me banging the desk and swearing at me and saying, "I'll give you £100,000, you just have to sign this bloody piece of paper." It was quite tempting because it was more money than I had ever imagined in my life. But I liked the idea of being independent and the group of us holding our destiny in our own hands. Overnight we moved from being writers and editors to being entrepreneurs.'

Ellingham persuaded a distributor to lend them £200,000 to buy the stock of Rough Guide books that had already been printed. And when the distributor went into receivership a few years later he asked the publisher Penguin to do the same, this time lending them £400,000. He says: 'I just winged it really. If you don't know how deals are supposed to work then you can just suggest exactly how you want them to work.' It was a sound move. Penguin started selling Rough Guides overseas and within three years sales had doubled. The series also received huge publicity, with a Rough Guides series shown on television, which ran for six years. The guides now cover 200 destinations and have sold more than 20 million copies.

Ellingham also decided to expand into non-travel subjects. He struck gold with the *Rough Guide to the Internet*, which sold 4.5 million books, making it the company's most successful ever title.

The hard work paid off. In 1998 Ellingham and his partners sold 51 per cent of the company to Penguin for £5 million, then in 2003 they sold the remaining 49 per cent to them for another £5 million. Under a share equity scheme

10 per cent of the sale was distributed to 100 staff and authors.

Ellingham stayed on at Penguin as Rough Guide publisher in an arrangement which allowed him to work three days a week – and not at all during school holidays – so that he could spend more time with his wife and young son. In the meantime he started another publishing company, Sort Of Books, with his wife, Natania Jansz. Their original aim was simply to publish a book written by a friend. Ellingham explains: ‘A good friend of ours was living on a peasant farm in southern Spain and whenever anyone went out to see him they would end up talking about how he could make it work financially. There was no hope of making much money from the farm itself. But it was the most beautiful place and he had a string of funny stories about life there so we helped him turn his experiences into a book. I thought if we published it ourselves we could prob-ably sell 20,000 copies.’

### Fact File

**Date of birth:** 8 April 1959

**Marital status:** married with one child

**Highest level of education achieved:** university

**Qualifications:** BA in English, and honorary MA, from Bristol University

**Interests:** music (he remains co-editor of *The Rough Guide to World Music*), fiction, film, football (Manchester United obsessive)

**Personal philosophy:** ‘Invent the rules.’

The friend was Chris Stewart, the book was *Driving over Lemons*, and it became a best-seller, selling more than 700,000 copies.

Ellingham finally left Rough Guides in 2008 after seeing the company through its '25 Years' celebrations which included a mini-series of 25 'Ultimate Experience' books. He felt he had come to the end of the road with Rough Guides and had also become increasingly concerned with environmental issues. In 2006 Ellingham had launched an awareness campaign about the effects of flights on climate change, linking up with his old rival Tony Wheeler, the founder of the Lonely Planet guides, to maximise impact. So his next step was to set up a green and ethical imprint for independent publishers, Profile Books, a move which had the added attraction of returning to a small company environment. Again, Ellingham has negotiated a limited working week – 100 days a year – to allow time for family and for other ventures, including Sort Of, which publishes three or four books a year, and the World Music magazine *Songlines*, which he helps to run.

Ellingham, 50, says that he has never been driven by the idea of making money: 'I just like to produce things and to make ideas happen.' He thinks much of his success comes from being single-minded. He says: 'I can see an idea and run with it and not be afraid to try it and put money into it. If you believe you can do something better or different, then you shouldn't be intimidated. You have to just single-mindedly plough your own furrow.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 21

## Sarah Doukas

### Founder of Storm

Sarah Doukas was waiting in the departure lounge to catch a plane at JFK airport when she noticed a waif-like 14-year-old girl with the most amazing face. Doukas gave her a business card and told her to call if she would like to become a model. The girl's name was Kate Moss. She joined Doukas's agency the next day, within four years had secured a world-wide contract as the face of Calvin Klein, and is now one of the most successful models in the world.

Doukas has always done things her own way. Sent away to boarding school at the age of seven, she quickly learnt to be independent and self-reliant. Her parents had hoped she would go into a 'proper' profession, but Doukas flunked her exams and escaped to London to become a model. She says: 'I was put under a lot of pressure from my parents to be academic. As far as my father was concerned, unless you followed medicine or law or a conservative profession you weren't going to have a reasonable life. But I thought, to hell with it, I'll do whatever I want. I completed one A level and walked out of the rest. My father was furious. He didn't speak to me for two years.'





In between modelling assignments, Doukas started selling antiques from a stall in Chelsea and embarked on a series of adventures. She went to live in Paris for a couple of years to sell antiques in flea markets and then returned to London to manage a punk band. She says: 'A friend in Paris wanted to sign the band to his record company and had nobody to look after them in Britain so I started managing them. I did everything from driving the van to loading the equipment to setting up their gigs. I didn't get any sleep but it was a lot of fun.'

While managing the band, Doukas met and married an American singer. They went to live in San Francisco, where she set up a children's clothing company. When they returned to Britain four years later in 1982 she got a job as a trainee booking agent in a modelling agency. She says: 'I had always thought it might be quite fun to do. I was delighted not to be modelling any more. I never enjoyed being in front of the camera, I was always panic-stricken.'

After seven years there she realised she really wanted to start her own agency even though it would mean becoming a rival to the company she worked for. She says: 'I knew my boss wouldn't like it but I had a burning ambition to have my own company. I felt bad about it but I was getting frustrated because there wasn't anywhere else for me to go within the company – and I knew I couldn't stay there forever with someone in a more senior position to me.'

However, she deliberately took no action to set up her agency until she had actually left her old job. 'It was a mad thing to do', she says, 'but I couldn't go to sleep at night or look at somebody at work and think I was organising something behind their back.'

Once she had left she asked some accountants to help her draw up a business plan. After much effort she found a backer who would lend her some money. However, just before the deal was finalised, the brother of an old school friend called to say he had heard about her plans and would like to get involved. It was Sir Richard Branson. It was not a situation most other entrepreneurs are likely to find themselves in.

Doukas says: 'Thank you, Father, for sending me to an expensive school. I shared a dorm with Richard's sister while I was doing A level retakes. It is all about who you know in this life.'

Despite having no money of her own to invest Doukas was determined to retain at least 50 per cent of her company, so Branson agreed that his private company would take the other half. In return he gave Doukas a £250,000 interest-free loan for three years and bought a house in Kensington for her to use as offices.

Her modelling agency, Storm, quickly became known for discovering and representing only the best models. Doukas

says: 'We used to turn people down who were actually quite good because I wanted to create a very elitist agency and work only with the most prestigious magazines. I was determined to strive for the top.'

Storm also became known for finding models in the most unlikely places – and for discovering and nurturing diverse and unconventional talent. Doukas discovered Liberty Ross shopping in London's Oxford Street, and took on Sophie Dahl even though she was much more voluptuous than most of the conventional models. In recent years Storm scouts have spotted Lily Cole and Jourdan Dunn – both of whom are establishing a significant presence within the fashion industry.

Business went so well that in 2005 Doukas launched Storm Special Bookings – a division that represents talented individuals for advertising prestige brands. The division now represents Emma Watson, Rupert Everett and Katherine Jenkins among others.

Storm has become very much a family business. During the early days Doukas recruited her brother Simon to help

### Fact File

**Date of birth:** 21 December 1955

**Marital status:** married with two children

**Highest level of education achieved:** boarding school

**Qualifications:** seven O levels, one A level

**Interests:** art, music, horse-riding, farming

**Personal philosophy:** 'Anything is achievable. Be positive, be enthusiastic, and project confidence. Make every day a good day.'

her run the company and with his background in banking the two have worked side by side for over 20 years. Her eldest daughter Noelle is now also an experienced booker for many of Storm's top models and has worked at Storm for nearly a decade.

The agency now has a turnover of £8 million and employs 30 people. Now 53, Doukas says: 'There has been a lot of luck involved. I was lucky when I started this agency that there was no other agency starting at the same time and the economy was good. And then I was lucky that when we went into recession I had low overheads so we could spend money while other people were tightening their belts.'

Doukas says she has been driven by the desire to prove to her father that she could achieve success on her own terms. 'I am not interested in money. Yes, it is good to have a nice car but it is not my prime motivation. Instead, I have a desire to prove myself – I think I am terrified of failure. Also, I love what I do. It is easy to come to work and do long hours if you enjoy it.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 22

## Tim Roupell

### Founder of Daily Bread

Attached to Tim Roupell's computer is a scrap of paper that says: 'To avoid seasickness look to the horizon.' He has read it many times since quitting his job as a City commodities trader to start his own business making sandwiches. He says: 'The idea is that instead of worrying about unimportant things you should look at where you are going and not let the small stuff get in the way.'

Born in Wimbledon, Roupell spent his childhood divided between boarding school and foreign postings in Germany, Aden in the Middle East and Hong Kong where his father was serving with the British Army. He left school at 18 and got a job in the City, largely because his older brother already worked there and a position came up in the same firm. Roupell admits: 'It was a real cop-out. I wanted to do something different but there I was wearing a suit and going into the City every day. The money was a big lure. I was completely mercenary and desperate to be independent. Then very quickly I had a mortgage and got used to skiing holidays and found myself staying there.'



But after working as a trader for 10 years he realised he hated his job and really wanted to work for himself. 'I started off enjoying it, but it became soul-destroying. I couldn't bear it. The trouble was I never really cared what the price of sugar or coffee was. I got to the point where I had to do something with my life.'

Having entered the City straight from school, however, he had no experience of doing anything else. He says: 'That limited my options quite a lot.' Inspiration was close at hand however. 'It was very hard to buy a good sandwich near where I worked in Victoria so I thought that if I could make good-quality sandwiches and deliver them to offices there would be a market.' In the end the decision to take the plunge was made for him when he was asked to leave his job. He invested £800 in a meat-slicing machine and a couple of baskets and begged a friend who owned a delicatessen to let him use his basement.

He says: 'I literally got up at 4.30 am the next morning and started making sandwiches, and then went round offices flogging them. It was a pretty humbling thing to do. The

traders I used to work with thought I was mad.' But on the first day he sold 35 sandwiches and Daily Bread was born.

As sales grew, Roupell recruited people to help him and also started supplying sandwich platters. But it was hard work. 'It was a logistical nightmare trying to get students or out-of-work actors to do basket rounds every day', he says. 'Sometimes they didn't turn up or they'd have a bad day and sell only half the sandwiches.' After a year, Roupell had taken on five full-time staff and was able to move Daily Bread into its own premises. But in 1996, 10 years after he began the business, crisis struck. Daily Bread lost two big clients, sales slumped and for the first time the business started losing money.

In a desperate attempt to revive sales Roupell decided to open a small outlet in Brixton. It was a big mistake. He says: 'It was such a disaster that I pulled the plug after a month and a half. We almost couldn't give the sandwiches away. And it was at a time when we could least afford to take a punt like that.' It was a tough test of his philosophy of keeping his eye on the horizon. He admits: 'I got incredibly close to throwing in the towel. It would have been a lot of hard work to get nowhere and it was a pretty galling thought. I was 40 years old with three children and I knew I never wanted to work for other people again, but I began to realise I might have to. It was not a good place to be.'

He was saved at the last minute by a large order from a contract caterer. Roupell says: 'That was our turning point. We started taking a regular order and then we realised that the way forward was to sell sandwiches wholesale. The margin was much lower, but dropping off 300 sandwiches was so much easier than delivering batches of 20 sandwiches here and 15 there.'

When that order led to others, Roupell took the bold decision to ditch the basket rounds and the platters altogether



and focus entirely on wholesale deliveries. He says: 'It was a big step. At the time platters accounted for nearly half our sales so it was quite a punchy thing to do. But I realised that if we offered the best quality and service, then people would use us. And that is what has driven us ever since.'

It worked. In 2002 Daily Bread was awarded a royal warrant to supply sandwiches to the Queen and by 2007 the business had a turnover of £13 million. In 2008 Roupell sold the business to a large American organic and natural food producer for a substantial undisclosed sum. He has stayed on to run the business and aims to turn Daily Bread into a major wholesale sandwich brand with national distribution.

Roupell, 54, is in no doubt about the secret of his success: 'They say that fear and greed are the two main drivers. Well, I am totally driven by fear. Nobody likes to fail and sometimes there is a thin line between success and failure. You have to be careful not to become complacent.'

He is also a firm believer in playing fair. He says: 'I have always been very straight in my dealings with people and that is very important to me. I haven't trodden on anyone to get here. That's a nice feeling.'

### Fact File

**Date of birth:** 6 January 1955

**Marital status:** married with three children

**Highest level of education achieved:** boarding school

**Qualifications:** seven O levels, one A level

**Interests:** playing tennis, skiing, playing the guitar, blues and rock music

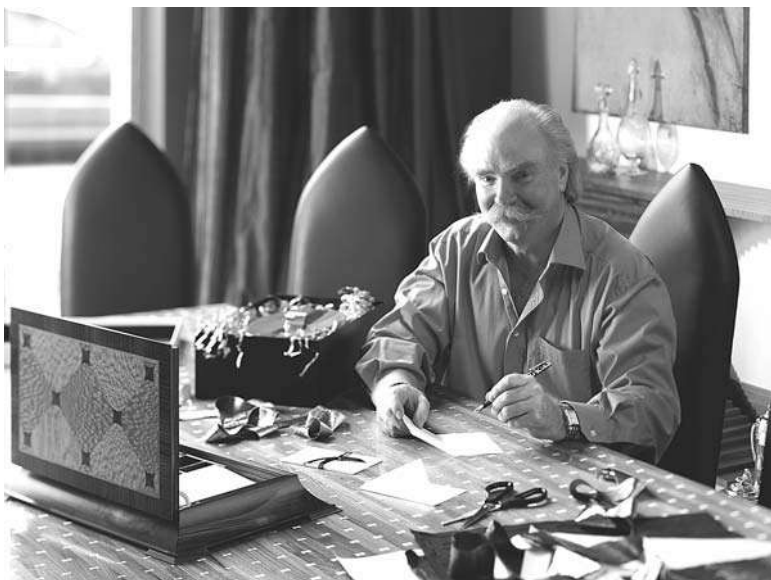
**Personal Philosophy:** 'What goes around comes around. Treat as you are treated.'

## 23

**Mark Wilkinson****Founder of Mark Wilkinson  
Furniture**

Mark Wilkinson did not have an easy time at school. He was severely dyslexic but it was the 1950s and nobody could understand what was wrong with him so his condition went undiagnosed. As a result he spent most of his time staring out of the window. Nor did he find much support for his difficulties at home, a council house in Buckinghamshire. 'My parents were fearsomely clever people, but they were also frustrated intellectually', he says. 'They would have loved to have gone to university. I was obviously smart, so when I didn't come home with good results they used to get cross with me. They were disappointed that I was not some form of achiever because they wanted that for themselves.'

He was encouraged to sing by a music teacher at school, and at the age of 13 was good enough to be offered a place at the London School of Music. But his family advised him to turn it down because they did not think he would be able to cope.



Wilkinson's time at school was not entirely wasted, however. While staring out of the window he gradually taught himself the art of looking at objects in a completely different way. He says: 'I spent a lot of time changing the geography around me and visually playing with the environment, moving tractors and hedges and trees round. It wasn't until I was in my mid-thirties that I realised it wasn't something that everybody could do.'

Happily, he was taken under the wing of the crafts master who persuaded his other teachers to let him work alone at the back of his class. Wilkinson made stained-glass windows and carved things from wood while other lessons went on around him. He says: 'I owe a lot to my crafts master. He understood what made me tick and he believed in me completely.'

Wilkinson also began to spend his evenings and weekends helping to make furniture with his father and grandfather, who were both carpenters. When he left school at

the age of 14 without any qualifications and hardly able to read or write, he realised making furniture was something that suited him. He says: 'I learnt that if I wanted to be accepted and not be called thick and stupid, as I was at school, then the way lay in making things beautiful. Since then making things beautiful has almost been a neurotic compulsion. It is something that gives me great solace.'

By the age of 19 Wilkinson was good enough to be offered a place at college in High Wycombe to study furniture-making. Once again, however, he turned it down because he was frightened of failing within the education system. Instead, when his parents moved to Somerset, he went with them and, on impulse, bought a derelict nine-bedroom monastery. Because he had no money of his own he did a deal with the woman who sold it to him to pay her the money in instalments.

Wilkinson renovated the monastery with the help of friends and then rented out rooms to them. He says: 'I was the richest hippy around. We used to race around the countryside advertising for Baby Belling cookers. It was great fun.' He also started up a workshop in the garden of the monastery, where he began making wooden doors and windows for local building companies.

Wilkinson abandoned his craft for a couple of years while he went to live in a squat in Brixton, south London, and work for a charity, but returned to set up a furniture workshop with a couple of friends. It was the late 1970s, the dawn of the era of stripped pine, Laura Ashley and Welsh dressers. Wilkinson quickly found a demand for his individually designed, hand-built wooden furniture. He says: 'Furniture is my way of speaking. I just took the feeling and the temperature of the time and translated it into a furniture style that people could read and understand. It was about singing a song and making a statement.'

His big break came when he was asked to design a kitchen in old pine for the wife of record producer Chris Wright, the owner of Chrysalis records. Word spread and suddenly Wilkinson found himself swamped with orders. So in 1978 he and his friend Charlie Smallbone founded the company Smallbone of Devizes, and soon developed a strong following for their individually handcrafted kitchens. Four years later, however, Wilkinson decided to leave Smallbone and start up on his own again. 'I had lost the space to move and breathe and had become constrained. I am best unfettered. I was instantly happier', he says.

Wilkinson successfully ran his own company, Mark Wilkinson Furniture, for more than 20 years, designing bespoke kitchens, bedrooms and bathrooms, and well as launching a range of paints and a collection of boxes, bowls and trays. By 2004 his company, in which he had a 65 per cent stake, had 270 employees and sales of £20 million.

But then in 2005 Wilkinson's business life came full circle when he got a call from Charlie Smallbone asking if he would be interested in getting together again.

### Fact File

**Date of birth:** 25 October 1950

**Marital status:** married with two children

**Highest level of education achieved:** secondary school

**Qualifications:** fellow of Chartered Society of Designers, member of Mensa

**Interests:** learning to horse ride, scuba diving, motor-cycling, clay pigeon shooting, cooking

**Personal philosophy:** 'It is important to live life according to a moral code.'

Wilkinson agreed and the two companies, Mark Wilkinson Furniture and Smallbone of Devizes, merged to form the largest part of Smallbone plc, with each company retaining its own identity within the new structure. He says: 'It just made an awful lot of sense. Instead of knocking each other's brains out in the market we could get together and be so much stronger. It is nice to have an old friend who is no longer an adversary.'

Smallbone plc floated on the London Stock Exchange, enabling Wilkinson to take out some of the proceeds of the deal while retaining a stake in the business which now has a turnover of more than £50 million.

Now 58, Wilkinson admits that throughout his life he has always been driven by fear: 'My motivation is fear of failure, every time. I think if you asked successful entrepreneurs, most would say they are motivated by fear.'

However, as a member of Mensa, a liveried member of the Worshipful Company of Furniture Makers and a Freeman of the City of London he is proud to have come a long way since his former headmaster told him 'Wilkinson, you are a waste of taxpayers' money.'

And thanks to the merger with Charlie Smallbone, Wilkinson says: 'I have never had so much fun and I have never worked so hard in the business as I do now. I can't see any reason to stop.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 24

## Prue Leith

### Founder of Leith's

The first time Prue Leith decided to start up her own catering business it survived only a few weeks. 'I had this idea that I could feed actors in their dressing rooms between the matinee and the evening show', she says. 'I called it Matinee Collations. But I didn't realise that most actors don't like to eat between shows. They prefer to walk in the park or go to the pub. Then I would arrive with the few orders I'd got, only to find that the play had folded and no one was there. It was hopeless.' Happily her second attempt at starting a business worked rather better. Indeed she eventually sold the catering company, restaurant and cooking school she had created for a sum believed to be £10 million.

Brought up in South Africa, Leith had little interest in cooking as a child because all the food her family ate at home was prepared by their cook. Indeed her first three choices of career were to teach people to ride horses, to become an actress like her mother, or to be a theatre designer. She went to university to study drama and literature but it was not a success and she dropped out in the





second year. She says: 'I just kept changing my mind about what I wanted to do. My father was pretty despairing.'

It was not until she went to Paris at the age of 21 to learn French while working as an au pair that she realised she wanted to create good food for a living. She says: 'The woman I worked for would go to one shop to buy croissants, another to buy baguettes and a third to buy gateaux. I thought she was crazy. It had never occurred to me there was such a thing as the best shop for croissants. It was like scales falling from my eyes.'

Sadly just as she had discovered her vocation, her father died. Leith says: 'I think he thought it was just another one of my mad ideas. I would have really liked him to know I finally stopped flapping around.'

She secured a place on the advanced Cordon Bleu course in London by pretending she had already worked in the kitchens of a restaurant. She admits: 'I was entirely economical with the truth. I knew nothing about cooking.' However

she managed to pass the course and got a job cooking for a firm of solicitors, where she determinedly worked her way through the *Cordon Bleu Cookery Book* page by page until one of them begged her to stop. She says: 'Round about August I hit the chicken chapter, so we had chicken every day. I had no idea about menu planning.'

The job led to more work catering for weddings and despite the failure of Matinee Collations Leith soon felt brave enough to start up a new catering company, Leith's Good Food. But she still did not have much idea how to run a business. Before she could afford to run a car she transported everything by Underground and once left a box of live lobsters on the train. Neither were her attempts to hire an employee too successful. She says: 'There wasn't enough work for both of us so we played tennis during the day and in the evening I went out to work to pay her wages. It was a disaster.'

Despite the chaotic debut the business thrived, and seven years later Leith opened her restaurant, Leith's, in Notting Hill, west London, with £30,000, of which a third was borrowed from her mother. From the start she adopted a businesslike approach, hiring a chef rather than doing the cooking herself. She says: 'I realised early on that I am not the best cook in the world. But I am very good at hiring good people and creating the right atmosphere for them to do their best.'

She also opened a cookery school nearby after realising that she was paying her staff to teach them to cook the way she wanted – and it would make a lot more sense to get people to pay her instead. It was so successful that within a few years it had to move to a bigger building because so many students wanted to take the course.

Not everything Leith touched turned to gold. Her decision to sell the businesses in 1995 was partly because of the

failure of her Serpentine restaurant in the middle of Kensington Gardens. It ran up losses of £300,000. 'I was overconfident and did not do enough research,' she says. 'I was convinced that if you gave people a wonderful glass of Chablis and a plate of smoked salmon, they would just flock in. And they did if it was a sunny day, but when it rained nobody came. We lost a lot of money and it shook my confidence.'

Leith happily admits to enjoying making money: 'I used to think that the whole point of being a cook was the satisfaction of making perfect food. Then when I became more of a businesswoman I realised there was just as much satisfaction in a perfect profit and loss account. I got a real buzz of pleasure if I looked at the month's figures and had made a lot of money.'

Selling her business did not lighten her workload, however. Leith had always combined her main career with outside interests and has sat on the boards of British Rail,

### Fact File

**Date of birth:** 18 February 1940

**Marital status:** widowed with two children

**Highest level of education achieved:** university (but did not complete course)

**Qualifications:** First in Matriculation (equivalent to A level); Advanced Cordon Bleu Certificate

**Interests:** tennis, fishing, walking, collecting old china

**Personal philosophy:** 'Don't spend time with anyone you don't like.'

Safeway, the Halifax Bank, Woolworths, Whitbread and some smaller companies, as well as chairing the Royal Society for the encouragement of Arts, Manufactures and Commerce and other charities. 'Retirement' meant an opportunity to further use her business skills for the not-for-profit sector.

Over the years she has been a founder of several successful charities such as Focus on Food, which teaches children to cook as part of the school curriculum; the British Food Trust, which promotes healthy food and pioneered qualifications for chefs; The Hoxton Apprentice, a restaurant in Hackney training the homeless and disadvantaged for the catering industry; and Three 3s, an education company successfully turning round failing state schools.

Today her main job is Chairman of the School Food Trust, the government quango charged with making sure food in schools is healthy and that more children eat it. Her part-time posts include a non-executive directorship at Orient Express Ltd and her fourth novel, *The Choral Society*, has been published by Quercus.

Now 69, Leith says: 'I just can't resist doing things. If I am interested in something then I always want to get involved. I have to avoid village committees because I know I'd find myself saying "Oh I'll do that, I'll do that."' "

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 25

## Christopher Wray

Founder of Christopher Wray  
Lighting

When Christopher Wray left school at the age of 17 in 1957 he had big plans to become Britain's youngest professional magician, so he took a job as a clown's assistant in Bridlington and did magic tricks during his show. When the season ended, however, Wray discovered that there was not much of a demand for magicians. So he decided to become an actor instead. He moved down to London from Yorkshire where he was bought up and managed to get a place at stage school. Then he landed parts in television shows such as *Upstairs, Downstairs* and *Doctor Who* before joining a repertory company touring Ireland.

It was Wray's job to scour junk shops for props for the show, and while he was looking he started buying bits of bric-a-brac for himself at the same time. So when an actors' strike made it difficult to get work back in London, a friend suggested he hire a stall in the newly opened Chelsea Antique Market. He could sell the things he had collected as a way of making money until the strike ended. Wray says: 'I



didn't know anything about this business so I just put everything I had on the stall and put a price on it.'

The first thing he sold was a Victorian paraffin oil lamp. So he quickly bought more from nearby junk shops, where they had ended up after being discarded as houses in rural parts of the UK were fitted with electric lights. He polished them up and put them on his stall and when they sold straight away too, for several times what he had paid for them, Wray started specialising in old oil lamps. One of his regular suppliers was a man who would drive up from Somerset each week with dozens of them in the back of an old camper van. Wray says: 'I never deliberately thought about going into lighting. It was pure luck really.'

He had run the stall for a year when he discovered that a post office on Chelsea's King's Road was closing down. So he borrowed £1,000 from his mother and reopened the post office as a specialist lighting shop, renting it for £750 a year and getting a friend to look after it whenever he got acting jobs.

Wray's timing was perfect. It was 1964 and the King's Road was about to become the epicentre of the swinging sixties. Actor Dudley Moore would come in to play the harmonium Wray kept in the shop.

In the first week Wray sold enough lamps to pay a year's rent. He says: 'One customer just went round the shop and bought all the best lamps. I couldn't believe it. I had to rush out and buy more things to sell.' But his dual life could not last. When Wray was offered a permanent part as the village policeman in the television soap *Emmerdale Farm*, he realised he had to choose between acting and his lighting business. He chose the latter. He says: 'Acting was a wonderful life but I realised I had a unique thing here. And as an actor you never really make any money.'

The shop continued to do well. When customers started asking for replacement glass shades for their lamps because the original shades were hard to find, Wray persuaded a factory in Yorkshire to make new shades from original moulds. He also got a factory in Birmingham to make replacement brass parts for lamps. As demand grew he expanded by buying up shops around his own as they came up for sale. At one stage he owned 10 shops on the same street.

Wray eventually realised, however, that it would make a lot more sense to have one large, purpose-built shop. So in 1983 he bought some land from the local gas board and after several complicated property transactions and much negotiating with the bank, finally opened the doors of his new shop seven years later in 1990. He says: 'It was my dream to build the absolute ultimate lighting emporium. It was designed so that the whole of the top floor is my office. I am king up there.'

This time, however, his timing was not so good. The new shop opened for business just as recession hit. He says: 'It



was as though the sky had fallen in. My staff and I looked at each other and said “Where has everybody gone?” Wray took immediate action by bringing out a catalogue aimed specifically at retail customers, which highlighted the less expensive items in his shop. Happily it worked and the business survived.

Indeed the name Christopher Wray has become so synonymous with lighting that many customers are surprised to discover that Christopher Wray is a real person. He says: ‘People are always coming up to me and saying “Oh you do exist, do you?” They just assume it is a fictitious name.’

Wray took further action in 2005 when he realised he was facing growing competition from other, cheaper, lighting retailers. Determined to stay one step ahead, he started selling exclusive upmarket furniture and accessories alongside lighting. He also undertook a radical overhaul of his stores, getting rid of the period lighting he had stocked, introducing more contemporary modern styles and fitting new shopfronts. Wray closed his smaller stores and focused his efforts on five key stores in London,

### Fact File

**Date of birth:** 8 March 1940

**Marital status:** married with three children

**Highest level of education achieved:** boarding school

**Qualifications:** four O levels

**Interests:** classic car rallying, water sports

**Personal philosophy:** ‘Always look on the bright side of life.’

including the business's flagship furniture and lighting emporium on the King's Road, and selling online. He also began to work on many more specific projects with interior designers and wealthy private clients, and in 2009 will have sales of £4 million.

Restructuring the business in this way has also freed up more time for Wray to indulge in his favourite pastime, driving classic cars, and in 2008 he and his wife spent two months driving a 1961 Corvette from Panama to Alaska.

Wray says the secret of his success has been finding something he enjoys doing: 'It is about wanting to succeed and having the courage of your convictions. But the overriding thing is that it is such fun.'

Now 69, he has no plans to retire. 'I don't see the point', he says. 'Some people tell me I'm mad and that I should have sold the business so I wouldn't have all this hassle. But the hassle is part of what I do and I get great satisfaction out of it. I am always thinking of the business. I wake up in the night and have to write little notes.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 26

## Heather Gilchrist

### Founder of Happitots

For many entrepreneurs the hardest part of setting up their own business is coping with the financial aspects, but for former nurse Heather Gilchrist by far the biggest headache in launching her chain of children's nurseries was having to deal with staff. She says: 'When I started I naively thought that if I was nice to people and treated them really well, they would be happy. In the early days, if someone left because they didn't like the job or they weren't happy, I used to take it personally and get really upset about it. But I learnt that you can't make everybody happy all the time.'

She also found it extremely lonely being the boss. 'When I was a nurse I was part of a team and would go out drinking with my colleagues from work,' she says, 'but I realised that I couldn't be one of the girls any more. They don't want me to go out for a drink with them because I am the boss. It has taken me a long time to get used to that. It's really hard because I am a friendly person and there are lots of staff I think I could be really good friends with.'



Gilchrist hit on the idea of opening a nursery when her son Thomas was born. She started looking for a place in a nursery for him in Edinburgh where they lived. But she quickly discovered she had left it far too late and that only the worst nurseries still had places available. So Gilchrist decided to start one of her own. She says: 'There was a demand for quality and I knew I could do better than a lot of other nurseries I had seen. I can be pretty determined once I have decided what I want to do. So I got in touch with the relevant official bodies and found out exactly what the requirements were.'

However, finding suitable premises was a lot harder than she expected. She bought a street map of Edinburgh and marked on it where every existing nursery in the city was located. Then she went to talk to estate agents in the areas which she felt needed one. But that was where the problems began. 'I knew exactly how many square feet I needed, but nobody took me seriously', she says. 'It was horrendous. I think if I had been in a pinstripe suit and spoken in a posh accent, it might have been a bit easier.'

In desperation she spent hours driving round in her car with her baby by her side looking for something suitable. Eventually a friend spotted an empty church building and called her. As soon as Gilchrist saw it, she realised it was exactly what she wanted. She bought the building for £90,000, paying for it with £20,000 raised from remortgaging her flat and £70,000 borrowed from the bank. Six months later she opened for business.

It was hard work at the beginning. She had so little spare cash that she could not afford to buy a washing machine or a dryer for the nursery and had to take all the dirty laundry home each night. But she did not have a dryer there either and so would have to drape wet sheets and towels around the house.

Fortunately Gilchrist was used to dealing with challenging situations. Brought up in Cheshire, she trained as a nurse after leaving school and then went straight to Papua New Guinea for two years to work with the Red Cross. After that she spent five years in Australia nursing AIDS and HIV patients. She returned to Britain because her mother had breast cancer. She had planned to stay only briefly but while in this country she fell in love with a man she met and decided to stay.

Gilchrist opened her first nursery in Edinburgh in 1996 and it did so well that two years later she opened a second one in Glasgow. When that went well, too, she opened more. However, she soon discovered that the parents and staff at her first nursery found it difficult to accept her changed role. She says: 'Because it was my first nursery the staff had been used to seeing me there every day. Then all of a sudden I wasn't there all the time because the business was growing. But staff and parents still expected me to be there and would be asking why I wasn't coming in. I was getting really stressed about the situation. And I couldn't be businesslike about it because it was my first nursery and I was very

attached to it emotionally. So I had to sell it. I needed to let go of the first one in order to move on.'

By 2004 Gilchrist owned 12 Happitots nurseries throughout Scotland, which between them catered for 2,000 children up to five years old. She had also opened a training division to train nursery staff. Then in 2007, with turnover of the business by now £4 million, Gilchrist sold the entire operation to a small nursery operator in Scotland for a substantial undisclosed sum. Although no longer involved in the day-to-day running of the business Gilchrist has kept a 10 per cent share in the company and stayed on as chairman. She has used the proceeds of the sale to invest in buy-to-let properties in Scotland.

Now aged 47, Gilchrist says she has always been driven by a desire to show she could make a success of her venture. She says: 'I wanted to prove to myself and my family that I could do it. I wouldn't have ever believed I could do this. Now if anyone tells me they want to do something, I always tell them to go for it.'

### Fact File

**Date of birth:** 15 April 1962

**Marital status:** married with one child

**Highest level of education achieved:** secondary school

**Qualifications:** six O levels, one A level, Registered General Nurse

**Interests:** going to the gym, socialising, theatre, reading

**Personal philosophy:** 'Live for the moment. Don't put off anything you can do today.'

## 27

## Richard Beggs

### Founder of Moving Venue Group

Richard Beggs always dreamt of becoming the manager of a large hotel. After spending every summer working in tourist hotels in his home town of Weymouth, Dorset, he left school at 16 to do a four-year apprenticeship with the Savoy Hotel group. He says: 'I was hell-bent on becoming a hotshot hotel manager working in a corporate environment.'

When he got a job as the manager of the Dover Street wine bar in London's Mayfair, however, he began to think his future might lie in other directions. He started organising parties for customers and soon discovered he really enjoyed it. When he was asked to organise the opening of a big furniture showroom it went so well that, in 1984 and at the age of 26, he decided to leave his job to set up his own catering and event management company.

He says: 'I suddenly realised this was a formula for a very successful business and knew I wanted to pursue it





further. By being in a less bureaucratic environment I could have a greater influence over decisions.'

He funded the start-up of his business with savings of £3,000 which he had been intending to use as the deposit on a flat. Instead he moved in with his girlfriend and used the money to get a £10,000 overdraft facility from the bank.

His decision to go it alone did not, however, get wholehearted approval from his family and friends. He says: 'The Dover Street wine bar was packed out every night. Everyone thought I was completely round the twist walking away from that.'

Just three months after he opened for business, though, Beggs struck lucky. He was cold-called by an insurance agent who hoped to sell him some insurance. Beggs agreed to meet him on the condition that the agent introduced him to some of his clients.

As a result Beggs landed a huge contract to organise a social programme for a group of businessmen in London

for a conference. He says: 'That was what really put me on the map. I had been organising events for £500 and £600 a time and suddenly here was a £30,000 piece of business.'

Not every venture went as smoothly, however. When Beggs was asked to organise a party to launch British Caledonian's inaugural flight from London to New York, his team had the inspired idea of holding it in an art gallery and decorating the walls with an exhibition of paintings of New York. But when the paintings arrived they turned out to be of Paris. So Beggs and his colleagues had to rush out and spend a fortune buying posters of Manhattan and getting them framed. He says: 'We were still nailing things together as the first guests were arriving.'

Then in 1989 recession struck and demand for events management dried up overnight. The situation was made worse by the fact that Beggs had invested heavily in commercial property.

He says: 'I thought the best way forward was to buy premises rather than have enormous exposure to big rents on offices. But it was almost as if I was signing on the dotted line and Margaret Thatcher was shouting "Right, you can start the recession now, he has just put pen to paper." We owed the bank £500,000 and it was evident our bankers had lost confidence in us.'

The day before the staff Christmas party his lawyer advised him that the only way out was to go into voluntary liquidation. But Beggs refused. He says: 'It would have meant taking a lot of people out with me because my suppliers would have got hit at a time when none of them could handle it. I just felt it would be the most shitty thing to do.' Instead he arranged a meeting with his bank. He says: 'I went in there thinking I have got to give the pitch of a lifetime. I was terrified. I put the keys on the table and said, there they are if you want them, but if you are prepared to let me carry on working then I will repay the debt.'

The bank reluctantly allowed him three months to get the business back on track. Beggs immediately shifted the focus toward organising events for clients he thought would do best in a recession, such as bankers and lawyers. The business survived.

When Sydney was unveiled as the venue for the 2000 Olympic Games, Beggs decided it could be the opportunity he had been waiting for to turn his company into an international player. He realised there would be a huge demand for conferences in Sydney in the run-up to the games – and that his company had just the experience to organise them. Within two months of the announcement he had invested £10,000 to set up an office in Australia, using the services of a former employee who had recently emigrated there.

He says: ‘I wanted to make a statement. I thought it was time we elevated ourselves out of the small-business scenario and showed our clients we were up for the long haul.’ The gamble paid off. Beggs quickly got work organis-

### Fact File

**Date of birth:** 18 September 1957

**Marital status:** married with one child

**Highest level of education achieved:** secondary school

**Qualifications:** CSE Grade 1 in Art, professional degree from the Hotel and Catering International Management Association

**Interests:** marathon running, playing with son

**Personal philosophy:** ‘If you see your ship coming in, swim out and meet it. If you can see an opportunity, seize it.’

ing conferences for companies hoping to get contracts for the Olympic Games. Then later his company got work putting on big parties to celebrate the completion of those contracts.

In 2005 Beggs also opened an office in Dubai and now organises events throughout the region. His company, which he wholly owns, has 48 employees and is expected to have a turnover of £9.5 million in 2009. High-profile events have included the Queen's official visit in 2007 to open the newly refurbished St Pancras station in London, home of the new Eurostar terminal.

Beggs, now 51, says: 'There is an element of entrepreneurial flair in everybody. The more of it you can apply and use, the more successful you will become.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 28

## Duncan Bannatyne

### Founder of The Bannatyne Group

Duncan Bannatyne was lying on a beach in Jersey with his girlfriend when he realised it was time to do something with his life. He was 30, penniless, and had spent the previous five years working as a barman and having a great social life. He says: 'I suddenly realised I was the oldest swinger in town. So I said to my girlfriend, let's go back to the mainland, start a business and become millionaires.'

The only problem was how to go about it. Brought up in a poor area of Glasgow, Bannatyne left school at 15 without qualifications to join the Royal Navy. He then worked on farms as a fitter and welder. His only aim in life was to make sure he did not follow in the footsteps of his family. 'My father, my sister, my uncle and my cousins all worked in the Singer sewing machine factory', Bannatyne says. 'The bell would go at six o'clock and they would all come out like zombies. I knew I didn't want to work there. And I didn't want to be poor.'



On his return from Jersey Bannatyne got a job in a bakery and to make ends meet also bought used cars at auction to do up and sell on. When an ice-cream van came up for sale he bought it for £450 and quit his job. He saved every penny he made selling ice creams to buy more vans, until two years later he had a fleet of six and was making £70,000 a year. But there was a problem. He says: 'I put on a lot of weight. I was more than 16 stone because I was eating ice cream all the time.'

He decided he needed a change of direction, so he sold the business and started buying terraced houses to provide accommodation for the unemployed instead. When a newspaper article highlighting the shortage of nursing homes caught his eye, however, he decided to invest everything he had to build one of his own.

Bannatyne says: 'I went round local nursing homes and found old ladies living eight to a room at the top of flights of stairs. The government was paying a lot of money to house them. I calculated that if I built a nursing home with

30 single bedrooms I would fill mine and the others would close down because I would be offering better accommodation at the same price. And I would still be making whacking great money. And that was what happened. It was full within three months.'

He footed the £180,000 cost of building the home by selling his house, car and everything he had. He also managed to borrow a total of £40,000 from four different credit cards after the bank refused his request for a loan. 'I went to the bank manager at Barclays and said here's my projections, this is phenomenal, I have got to do this, lend me some money. But he said that if it was that good, everybody would be doing it – and he threw me out of his office.' But Bannatyne had the last laugh. As soon as his nursing home opened for business it was valued at £650,000 and he was able to remortgage it to pay off his debts.

The same day he started building an 18-bedroom extension and within weeks had bought land to build a second nursing home. He kept building more nursing homes until by 1992 he had a chain of 30. But he also had personal debts of £6 million and the strain was beginning to show. Bannatyne started falling asleep in the middle of conversations and would have to pull over while driving. He says: 'The specialist said I was under pressure and so my mind was switching off as a release. I realised that I was under stress.'

Fortunately it was not for long. Within a few months he had floated the company, Quality Care Homes, on the stock market and was able to pay off all his debts and pocket £1 million for himself.

Suddenly he was chairman of a public company with a 73 per cent stake, which with his salary gave him £250,000 a year. But Bannatyne soon became bored working in an office and in 1997 sold the company for £46 million, giving him a personal windfall of £26 million.



He decided to use some of the money to build a chain of nursery schools, starting with one in his home town of Darlington, after realising he was having to drive 10 miles to take his daughter to nursery school each day. He also decided to open a gym in Darlington after he broke his leg skiing and realised that the nearest gym he could use to improve his muscles was also many miles from home.

Bannatyne sold his chain of nursery schools, Just Learning, in 2001 for £22 million. He then started building more gyms and after acquiring 24 gyms from Hilton he now has a 62-strong nationwide chain of gyms called Bannatyne Health Clubs. His company, the Bannatyne Group, also owns five hotels and a bar in Newcastle and in 2009 is expected to have a turnover of £100 million.

In addition to his business interests, in 2005 Bannatyne became one of the original judges on the highly popular BBC television show *Dragons' Den*, which is now in its sixth series. He also regularly appears on other television shows about business.

### Fact File

**Date of birth:** 2 February 1949

**Marital status:** married with six children

**Highest level of education achieved:** secondary school

**Qualifications:** none

**Interests:** socialising, working out at the gym, spending time with his children

**Personal philosophy:** 'Life is a bowl of cherries – just watch out for the pips.'

He admits: 'I get bored very easily and so whatever business I have got, I am always looking for something else to do.'

As a result Bannatyne, 60, now has a personal fortune of more than £310 million. He says: 'The secret of being successful in business is that there is no secret. Anybody with any spark of intelligence in this country can become a millionaire. You just have to work very hard.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 29

## Angela Wright

### Founder of Crealy Adventure Park

Angela Wright had to get pretty good at tidying her bedroom when she was a child. She was brought up at Hayes Barton farm in east Devon, the birthplace of Sir Walter Raleigh, and every afternoon her parents would show visitors round the house for 20p a time. She says: 'Every day at two o'clock it would be "Oh my goodness the visitors are coming up the path, quick go and tidy your room." Sometimes I would be too late so I would have to hide things under the bed.'

As she grew older, Wright earned pocket money by serving cream teas to visitors on the lawn. She says: 'I only realised with hindsight that it was a really wonderful, magical childhood. I could make dens in the barns and climb the trees and run wild over the common. And yet it was a safe adventure because it was cocooned.' The memory stayed with her after she left home to go travelling and then work nearby as a secretary. When her parents bought a farm of their own in Devon she decided to



recreate the magic of her childhood by turning it into an adventure park. She says: 'I wanted to provide somewhere where families could have a really magical day and children could realise their own capabilities and courage through adventure play.'

It was a bold plan. Wright had just had her first child and had no experience of running a business. She spent six months researching the idea before plucking up the courage to even suggest it to her parents. She says: 'Their initial reaction was it would be too much to take on. They thought it would be very daunting and they didn't know if it would work.' In the end it took Wright a further 12 months of research before she was able to convince her family to provide the financial backing for the park.

She says: 'I had to draw up a very solid business plan for my family to want to get involved, not just financially but also from a lifestyle perspective. I remember telling them I would make sure they wouldn't have to work any harder.' But there were still hurdles to overcome. The Highways

Department refused to allow her to create an access to the adventure park from the main road. When it finally agreed, it was on the condition that Wright build a turning bay and entrance at a cost of £70,000. The only way she could justify the expense was to go back to the drawing board and find a way of accommodating more visitors.

Crealy Adventure Park finally opened for business in 1989. It was divided into six areas to suit different age groups, including an animal realm where children can hold newborn chicks and feed lambs, and another area with family rides. It reached its target of 40,000 visitors in the first year of operation and moved into profit in year three. In 2001, however, the business faced the prospect of ruin with the onset of foot-and-mouth disease. While the park itself was not directly affected, visitor numbers fell by a fifth, which had a devastating effect on profits. Wright responded by diversifying into corporate hospitality, but it was a fraught time.

She says: 'It was a real disaster. We didn't know what would happen or how much our business would be affected. A lot of lateral thinking went on. It really made us look at our business and remember that crises can come out of nowhere and that it is really important to protect what you have.' Visitor numbers gradually recovered, and the park, now renamed Devon's Crealy Great Adventure Park, attracts 500,000 people a year.

Early in 2004 Wright also added a second park to the business, buying the former Shires Family Adventure Park in Cornwall for several million pounds and reopening it as Cornwall's Crealy Great Adventure Park. It currently has 150,000 visitors a year and Wright now plans to build eco-lodges at both parks so that visitors can stay overnight. Total turnover for both parks is expected to be £6.4 million in 2009.

Wright also decided that instead of just having a five-year business plan for the company, she would have a 25-year plan. She explains: 'During an appraisal a member of staff told me that having a five-year business plan was all very well, but that Crealy was her career and so she wanted to know what I was going to be doing in 25 years' time. Initially I thought oh no, but it has been really interesting to do. And I always think that until you have something written down, you can't improve on it because ideas in your head are too ephemeral.'

Despite the company's expanding size Wright's family is still very much involved in running the business. Her father is chairman, her mother is a director and involved with the buying, her brother is finance director and her husband is in charge of running the new park in Cornwall. Wright herself is managing director.

Wright, 47, who has five children of her own aged between 10 and 23, says: 'I feel fortunate to be able to deliver some of the most memorable moments in children's lives.'

### Fact File

**Date of birth:** 20 January 1962

**Marital status:** married with five children

**Highest level of education achieved:** secondary school

**Qualifications:** eight O levels

**Interests:** spending time with family, travel, reading, and politics

**Personal philosophy:** 'Be too busy to have time for regrets. And always look for the best in people.'

When I see a child walking across an aerial walkway or holding a chick, that's quite special.'

She says getting her whole family involved in realising her dream has driven her determination to make the business a success: 'It has been a real privilege to work with my family. But I do feel a lot of responsibility to make the business work because they trusted me and jumped on board with me. I would still have started my own business, but it would have been very different. I would not have achieved what I have and I can't imagine that it would have been as rewarding.'



THIS PAGE IS INTENTIONALLY LEFT BLANK

# 30

## Daniel Mitchell Founder of The Source

Daniel Mitchell has never let a lack of money get in the way of starting his own business. Brought up in Southend-on-Sea in a single parent family, he began his first company selling office equipment at the age of 19. He funded it entirely on the back of credit from suppliers after he discovered he could pay them 30 days after customers had paid him.

Unfortunately, his entire experience of business at that point consisted of 18 months selling equipment for someone else. Mitchell had no real idea about how to run a company and after two years his firm went bust. He says: 'I decided I could do a much better job of it myself, but I quickly learnt that I couldn't. Looking back at it now, I can't believe I managed to keep it going for as long as I did. I didn't really have a business plan and I didn't understand cash flow. Everything was worked out on the back of a cigarette packet.'

Mitchell was still determined to have a company of his own, however, and so he took a job with a finance firm in



London to find out how businesses actually worked. 'I went on training courses to find out how to read a balance sheet and learn about the importance of cash flow', he says. 'It really gave me a good insight into how a company ticks financially and I discovered it was something that really interested me.'

After spending a year travelling round America, at the age of 23 Mitchell decided that it was time to try again. So in 1993 he set up a company selling computer parts to maintenance companies. He explains: 'I had a reasonable understanding of the IT market and I knew that in order to be successful a business either had to be huge or it had to be niche. So I chose a relatively high-margin niche market.' Once again he did it without having to find any cash upfront, negotiating a three-month rent-free deal on premises and then trading on suppliers' credit and borrowing on his credit cards to fill the gaps where necessary. He says: 'There was no capital involved in the business. It was simply a matter of starting trading and getting suppliers' credit and then reinvesting the profit.'

He quickly realised he had discovered an untapped demand and sales took off. But after five years of strong growth, averaging 35 per cent a year, in 1998 Mitchell realised that the market's low barriers to entry left his company increasingly vulnerable to competition. 'I just couldn't see how I could build up the kind of business that I wanted to build up in the next five years in that particular marketplace', he says. 'There were very few barriers to stop my sales manager going round the corner with a credit card and an overdraft and setting up in competition to me.'

As he looked around for what to do next, he suddenly realised that the perfect opportunity lay right on his doorstep. 'We had handled the insurance claims for a couple of small clients, so it got me thinking about what actually happens when an insurance company gets a claim for a computer', he says. 'I rang up an insurance company and asked if they would be interested in something that took away the hassle of validating claims and supplying the computer equipment. The answer was yes. So I rang up four other insurance companies and it was exactly the same story.' Inspired by his discovery, Mitchell decided to set up a business that handled claims on behalf of insurance companies by validating the claim and then repairing or replacing the damaged equipment.

The business, which he called The Source, went so well that after a year Mitchell brought in business angels to invest £500,000 in the company. By the end of 2000 it was generating far more income than the original parts business. It was, however, a frustrating time. He says: 'I was doing loads of administration and working lots of hours because I couldn't afford to employ someone to do the administrative things that needed to be done. But it was an absolute waste of my time because I wasn't adding value to the business. I would have grown the business much quicker if I had hired someone to help.'

He eventually realised that the solution was to employ a chief executive who had been a director on the board of a FTSE 100 company. It was a sound move. Mitchell says: 'It freed me up to be more strategic and more customer focused, which is what I am good at. It also brought a wealth of experience as the business grows. If I had my time again, I would have spent more money on recruiting people earlier than I did. Success is about customers – but it is also about the people that you employ.'

In 2001 he decided to sell a majority stake in the original parts business to concentrate on growing The Source. The move paid off handsomely. By 2005 The Source had sales of £35 million and Mitchell sold the business, in which he had a majority stake, to a private company for a substantial undisclosed sum. Since then he has concentrated on building up a sizeable investment portfolio, primarily investing in residential property and small growing businesses.

At some point in the future he would like to start up another business from scratch and is keeping an eye out for the right opportunity.

### Fact File

**Date of birth:** 13 August 1969

**Marital status:** divorced with three children

**Highest level of education achieved:** sixth-form college

**Qualifications:** four A levels

**Interests:** motor racing, playing squash, skiing

**Personal philosophy:** 'Everything is possible. It is just a question of figuring out how.'

Mitchell, now 39, says: 'There are two things that make me go into work in the morning. First, I have to enjoy what I am doing and get a buzz from it and it has to be an intellectual challenge. The second is getting a financial reward from doing the things I do. I think you make your own luck. I am an absolute believer that the harder I work, the luckier I get. I tend to focus on the positive. I don't really listen to people saying no. I just work out a different way of doing something.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 31

## Emma Bridgewater

### Founder of Bridgewater Pottery

Becoming a ceramics designer was not the most obvious way for Emma Bridgewater to make her fortune. She confesses to being hopeless at making pottery and she has never had any formal training in design. Not that any of this seems to have done her much harm. Her company, which is perhaps best known for its collections of plates and bowls with writing around the sides, has established an individual niche within the ceramics market and in the process has become a hugely successful enterprise.

For many years Bridgewater had no idea what she wanted to do as a career and was extremely envious of those who did. She says: 'I longed for a vocation and to know what I was going to be. I was so jealous of people who knew from an early age that they wanted to be ballet dancers or gymnasts or whatever.' She left university with a degree in English literature still no clearer, but got a job with a knit-wear company after meeting the owner at a party. She says: 'They were run off their feet because the Princess of Wales





had worn one of their jumpers with a sheep design on it and everyone wanted one. So I offered to help.'

While she was there Bridgewater asked dozens of questions about how the business worked. By the time she left 18 months later she was convinced that what she really wanted to do was start her own business. But she still had no idea what her business would actually do. Then one day she was searching the shops for cups and saucers to give her mother as a birthday present. When she could not find anything she liked, she decided to design some herself.

She went back to the family home to study her mother's existing collection of crockery and realised that those she liked had been decorated using sponge printing, a traditional technique by which simple designs are applied to ceramics using sponges. She says: 'I looked at the old pieces and thought, this is perfect for me.' She sketched a mug, dish and bowl on a piece of paper and then paid a potter in Stoke-on-Trent £500 to make 100 unglazed pieces from her drawings. Then she took them back to her flat in London

and started experimenting, creating her own shapes and then applying them with sponges.

She says: 'I think if I had been to art school I would have been discouraged or told it was impossible. But instead I just filled a dustbin with glaze in the bathroom and stirred it with a great big stick. I was endlessly rubbing off the designs and starting again because I couldn't afford to waste any pots.'

After three months Bridgewater had created four designs and sent a finished bowl or mug to 100 retail buyers accompanied by a brief description of the pattern. She was so confident of success that she deliberately priced her pieces at twice that of her competitors. It was a risky move, but the gamble worked.

Harrods, John Lewis and the General Trading Company immediately placed orders and Bridgewater Pottery was born. And thanks to the hefty price, orders were kept at a level she could cope with. She says: 'The price made the buyers nervous. But I never had any doubts because it instinctively felt right. It set a new benchmark in the industry and helped keep the volume down, which in retrospect was essential.'

Determined that her crockery would not look like something from a craft fair, Bridgewater also decided to get it all made in a factory in the traditional Potteries area of Stoke-on-Trent. At the beginning she delivered each order herself in a rented van, but with no money to invest in the business cash flow was precarious. She survived only by getting her pots on 30 days' credit and persuading buyers to pay her in 28 days. But then crisis hit. One day she turned up to find the factory on the brink of liquidation. She had just two days to find the money to buy the factory and save her business, and managed it only by borrowing heavily from her family.

Business boomed and when Bridgewater wanted to take time out to have children she brought in managers to run the company in her absence. She says it was a big mistake. Sales stagnated at £2 million and profits declined. She says: 'With hindsight, I didn't communicate my ideas properly to the managers. I gave them an almost impossible task. I would ask in an agitated way why the business wasn't growing but the systems were so chaotic I could never really find the answer.' So two years ago Bridgewater decided to take back control, getting rid of five people and cutting delivery times from 12 weeks to four.

She admits: 'I had allowed myself to be sidelined. We were ignoring our successes and thrashing around after failures. I realised there was only room for one amateur in the company – and that was me.' Her hands-on approach paid off. The company, which still makes all its products in Stoke-on-Trent, is expected to achieve sales of £8 million in 2009. Bridgewater, her husband Matthew Rice, who is now

### Fact File

**Date of birth:** 23 December 1960

**Marital status:** married with four children

**Highest educational level achieved:** university

**Qualifications:** BA (Hons) in English Literature from London University

**Interests:** picnicking and cooking outdoors, gardening, spending time with her children

**Personal philosophy:** 'The worst thing you can do is hesitate. Get on with things even if you haven't fully worked out how to do them, because even the worst case scenario may turn out to be better than you expect.'

involved in running in the business, and their families collectively own 100 per cent of the company.

Bridgewater, 48, says she has found running her own business both exhilarating and exhausting: 'It gives you terrific financial freedom if you can make it work. But it is really obsessive. You find yourself talking about it to people at dinner. There's something always just disappearing over the horizon – and you are always galloping madly towards it.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 32

## Gerry Pack

### Founder of Holiday Extras

Gerry Pack had been working for the same company, Saga Holidays, ever since leaving school and after 14 years he was beginning to wonder where his life was heading. He was 30 years old, had virtually no formal qualifications and knew it would not be easy to find another job where he lived in Folkestone. Then one day Pack's boss asked him to look at how the company dealt with customers who needed overnight stays in airport hotels. When Pack discovered that the existing system was completely unwieldy and was costing Saga a lot of money, he had a sudden inspiration.

He says: 'I thought that if we were doing that badly even though we had been selling holidays since 1955, then what was everyone else doing? So I rang some travel agents I knew and asked them how they booked airport hotel rooms for customers.'

It was a revelation. He says: 'I discovered that the only thing the agents had in common was they all hated doing it. They usually had to ring lots of hotels before they found a room, and often bookings went wrong because the prices



the hotels charged were always different. And they hardly ever received commission. So I thought there could be an opportunity here. I could devise a win-win-win formula.'

Pack's big idea was to set himself up as a hotel-room wholesaler, getting advance allocations of rooms from hotels at a large discount and then selling them on to travel agents at a higher price. The hotel would benefit by getting new business, the travel agent would benefit from a simple booking service that was free and paid commission, and the customer would benefit by getting cheaper hotel rooms.

He took some room allocations from hotels at Heathrow, Gatwick and Luton airports. Then he asked a friend who owned a publishing company to join him, and together they devised a clever plan to keep start-up costs to a minimum. The fledgling business, Apple Booking Company, would share the same office and the same first name as the publishing company, Apple Communications, so existing staff could answer the phone for both. In return Pack would pay his friend 50p for every booking made.

Pack says: 'The great thing was that if we didn't do any business, we didn't have any costs. I couldn't afford to employ someone to sit there and wait for the phone to ring.' In fact he managed to start the business with just £100, which he spent on getting some leaflets printed and preparing a marketing plan.

A few days after the first leaflets were sent out to travel agents, Pack called the office to see if they had had any impact. He says: 'The lady in the office said we'd had six bookings. I can still remember that moment. I was at my parents' house and I started leaping round their front room because I knew then that it was going to work.'

The phones kept on ringing and in the first year the Apple Booking Company sold 4,000 hotel rooms, helped by Pack's decision to have a freephone number. He says: 'It cost us a fortune but it was important for us to be able to tell travel agents that when they made a booking with us it would not cost them anything.' It was, however, harder than he expected to persuade travel agents to switch to using his system. Pack says: 'The phone should have been ringing off the wall because it was such a good idea. But it is extremely difficult to change people's habits and we would go back week after week just reminding them we were there.'

Indeed, at first Pack could not afford to give up his old job at Saga and so continued to work there for more than a year, keeping his fledgling business secret from colleagues, and doing the accounts and paperwork for Apple Booking Company in the evening and at weekends. His double life only ended when his boss at Saga asked him to look after its travel agency business. Pack realised he faced a conflict of interest and left to work for Apple full-time.

The company was soon doing enough business to be able to afford to move into offices of its own. It gradually added more hotels and then travel insurance, airport car parks and



airport lounges to the extras it sold. Pack admits, however, to making some expensive mistakes along the way. Seven years ago he bought a company that organised truck expeditions to Africa and spent £1 million in two years upgrading it before he had to shut it down. He says: 'My problem was that I wanted it to be done properly. I wanted new Mercedes trucks but the business model wouldn't support it. Our competitors were all operating on a shoestring and we couldn't compete with them. I learnt that one business model doesn't necessarily fit all businesses. Some businesses need to operate in different ways.'

Fortunately the core business thrived and in 2004 the company, renamed Holiday Extras, celebrated its 21st birthday. By then it was selling 400,000 rooms a year and had sales of £97 million, generating profits of £7 million.

Then in 2005 Pack sold the business to a management buyout team for £43 million, with the Pack family trust re-investing £20 million into the business in exchange for a

### Fact File

**Date of birth:** 23 May 1953

**Marital status:** married with four children

**Highest level of education achieved:** grammar school

**Qualifications:** two O levels

**Interests:** playing tennis, golf, hunting, skiing, reading, watching films, great wines

**Personal philosophy:** 'Make the most of every opportunity. Remember that your destiny is the result of your actions.'

47 per cent stake. Pack has stayed on as a non-executive director of the business, which after buying its largest competitor is set to have a turnover of £200 million in 2009, but now spends much of his time sailing round the world with his wife Carol.

Pack, 55, says the secret of his success has been finding something he really enjoyed doing: 'When you have a mortgage and children you are driven by money in the sense that you must have a job. But if all you think about is the money, your business is never going to work. You have to be passionate about what you are doing – and you have to want to win.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 33

## Zahid Kasim

### Founder of Café Lazeez

When Zahid Kasim decided to leave his job at the bank where he had worked for 16 years, he planned to use the money from his severance package to open a restaurant. Unfortunately, the bank he worked for was BCCI and 10 days before he was due to leave, it collapsed. That was the end of Kasim's severance package and all his savings.

Ironically, it was while at BCCI that Kasim had had the idea of opening a restaurant in the first place. As the bank's head of human resources he often had to take people out for lunch, and he soon realised that there were very few high-class Indian restaurants to choose from. Having been born and brought up in Pakistan before his family moved to Britain when he was 10, he felt the absence acutely and thought that there might be room for a new kind of Indian restaurant in the UK.

He says: 'I would get pangs for the kind of food I grew up on, but Indian restaurants here were still in the primary stage of evolution. They were still very much first generation. Having Ravi Shankar music playing constantly in the



background really didn't do much for me. I didn't feel it was very relevant. There was this vacuum in the market.'

At the age of 37 with a lifetime spent in the corporate banking world and no money, Kasim was not an obvious candidate to be an entrepreneur. But after the collapse of BCCI, he decided that if he were going to put his plan into action it would have to be now or never. He was offered other jobs in banking, but says: 'I had had enough of banking by that stage and wanted to change direction. I just lost my spirit for the whole thing.'

With no savings to support him, however, he soon realised that he needed to enlist the help of his family. And if he was to have any chance of success he needed to get his sister Sabiha, who was a brilliant cook, on board. But Sabiha was busy bringing up three children and already did a lot of corporate entertaining for her husband's colleagues. She did not want to get involved.

In the end it took Kasim nearly two years to persuade her to join him. He says: 'I needed somebody with expertise at a

core level, and without her I don't think I would have started this. Eventually she agreed to give me six months to get the foundations sorted, but of course she ended up staying much longer.'

Sabiha's involvement also gave Kasim's family the confidence to provide him with start-up capital of £100,000 in return for equity in the company. As the business grew they took a further stake for £200,000. Kasim admits: 'Persuading them was not that easy but when I got Sabiha on my side we handled it jointly. They knew that Sabiha was a skilled cook and knew about quality control.'

Kasim opened his first Café Lazeez restaurant in 1992 in South Kensington, London. It was not the best of times as Britain was in the middle of a recession. Kasim was determined to make it different from other Indian restaurants, so he hired a designer to give it a minimalist look and deliberately gave no external clues as to the type of food it offered. He even banned the ubiquitous sign hanging in the window of most Indian restaurants at the time, which declared: 'Fully air-conditioned'.

Unfortunately, his ambitious vision initially backfired. He says: 'In the early days people would come in expecting an Italian or French restaurant. They would take one look at the menu and walk straight out. That went on for about six months and it was scary.'

The turning point came when Café Lazeez started attracting the attention of the food critics. One of the first reviews heralded the restaurant as 'the shape of things to come' and soon it was winning awards for its cooking. Kasim says: 'Every week something was written about us saying we were trying to change the whole Indian cuisine context. It was very positive.'

Kasim opened three more Café Lazeez restaurants in London and Birmingham and in 2004 the business had a turnover of £4 million.

Right from the start he knew he wanted to create a Café Lazeez brand that could be used in other areas, so in 2001 Kasim opened a fast-food operation called Lazeez Express to provide food at sporting events. He also hoped one day to create a range of food that would be sold in supermarkets.

He says: 'People felt I was crazy because they thought that the brand values created at a high-quality restaurant could not be transposed in this way. But I didn't understand why they couldn't.'

He had no regrets about leaving banking, saying he was never driven by money but instead was really motivated by the thrill of creating something new. 'Money hasn't been a great motivator in my life,' he says. 'For me the most exciting part is creating something that has value. If I can achieve that, then hopefully I will be a happy person. If I can leave something for posterity, that would be fantastic.'

### Fact File

**Date of birth:** 1 January 1954

**Marital status:** divorced with one child

**Highest level of education achieved:** university (did not complete course)

**Qualifications:** three A levels

**Interests:** listening to music, current affairs

**Personal philosophy:** 'Inspire to aspire.'

In a nice twist Kasim, 55, also embarked on setting up an overseas franchise operation for his restaurants – in Pakistan and India. In 2007 the business was taken over by another company and Kasim left to pursue other ventures.



THIS PAGE IS INTENTIONALLY LEFT BLANK

## 34

## Sharon Hilditch

### Founder of Crystal Clear

When Sharon Hilditch launched her Crystal Clear skin rejuvenating machine, she decided to ignore conventional ways of marketing a new product such as placing adverts in trade journals. Instead she spent the whole of her first year's promotional budget of £30,000 paying for the services of Max Clifford, the public relations consultant, in the hope of attracting celebrity followers. It worked. A well-known newsreader was the first to endorse the Crystal Clear treatment. She was soon joined by an actress and a former Page Three girl, generating lots of media coverage and getting the product in front of the public.

Hilditch says: 'It made a name for us. Trying to educate the customer about a new product can be a struggle, but the more celebrities we got, the more people started asking for Crystal Clear in the salons. And that put pressure on the salons to offer it to their customers.'

Brought up in a working-class area of Liverpool, Hilditch had a difficult start in life. A severe hearing problem in one ear affected her speech development and made it hard to



concentrate. She says: 'I struggled at school because I am not very good when a lot of people are talking around me. The teacher used to shout at me if I used the wrong word.' She nevertheless managed to get her first job at the age of 11 in a hairdresser's by lying about her age. 'My two older sisters had Saturday jobs so I wanted one too', she says. 'The work ethic was instilled in us from an early age. We knew that if we wanted something we had to go and earn money ourselves to get it.'

She left school at 15 to work in the salon full time, and two years later bought her own hairdressing salon after her father agreed to act as guarantor for a £8,000 bank loan. The business thrived and Hilditch bought a second salon, but by the time she was 22 she decided it was time to try something else. She had been studying for O and A levels in the evenings at a local college, and decided to take a law degree.

She soon realised, however, that she had to make a choice between law and business. She chose business. Hilditch says: 'To be honest I realised I was making more money

than I ever could as a lawyer.' She knew she did not want to go on being a hairdresser, however, and soon sold both salons for a healthy profit.

Her next move on the other hand was not so successful. She invested her entire savings of £30,000 in an advertising sales company, but within a couple of years had lost the lot. She is philosophical about the loss, saying: 'Failure makes you a lot stronger and a lot tougher because you think to yourself, I am never going to be there again.'

Hilditch then took a job in a cosmetic surgery hospital, looking after patients who came in for treatments for ageing skin. She says: 'I really loved coming up with ideas and thinking how we could bring new treatments into the practice. I realised the anti-ageing market was an area I wanted to stay in.' After the surgery, patients needed time to recover, and Hilditch decided there might be a gap in the market for a gentler alternative. She says: 'I wanted to find a method of skin rejuvenation that was not as harsh as the medical techniques but offered more than standard salon treatments.'

She discovered the answer while visiting a dermatologist in Italy – micro-dermabrasion, a method of firing crystals at high pressure to remove layers of dead skin. She says: 'I thought that if I designed a machine that worked at lower pressure and was not so aggressive on the skin, clients could come in once a week for a course of 10 treatments and get the same effect. The industry was crying out for something new, and salons had started to look at more machine-based treatments, so it was a good time to bring it to the market.'

Hilditch quit her job, and with the help of her partner and some design engineers from Liverpool University spent a year and £30,000 creating a prototype machine and holding clinical trials to ensure that the treatment was effective and safe. She finally launched her Crystal Clear machine

at a trade show in Manchester in 1995 – and did not sell a thing. But she remained hopeful, saying: ‘I knew it would be a success because other exhibitors spent more time on our stand than their own.’ She also faced initial scepticism for setting up her skin care company in Liverpool. She says: ‘People would always expect us to be based either in London or New York.’

Her optimism paid off and Hilditch now sells more than 1,000 machines a year, of which half are exported. She has also launched a second machine that pushes oxygen and anti-ageing ingredients into the skin, another which provides micro-dermabrasion anti-ageing treatment for hands, and a range of skin-care products.

In 2007 Hilditch decided to take her skin rejuvenation concept one step further by targeting the retail market with the launch of another innovative product, the Crystal Clear eyepen, a battery operated device which projects eye serum onto the skin to give instant visible lifting and firming around the eyes. The eyepen is now stocked in 22 House of Fraser stores and is set to be available in 40 stores over the

### Fact File

**Date of birth:** 21 April 1961

**Marital status:** long-term partner, two children

**Highest level of education achieved:** college of further education

**Qualifications:** one O level, two A levels

**Interests:** learning to fly a plane, gardening

**Personal philosophy:** ‘You can have anything you want if you want it badly enough.’

next three years. It is also stocked in large department stores in Spain and Portugal and Hilditch is currently in talks with shopping channels about promoting the product.

She says: 'I will definitely be grey by the end of this but I truly believe the only way to really take the brand to a new level was to actually get on the shop floor with the major brands.' As a result Crystal Clear sales are expected to reach £12 million in 2009.

Now 47, Hilditch says that one of the nicest things about being successful has been seeing her parents' pride in her achievements. 'When my father died I discovered that he had taped every television appearance of me talking about Crystal Clear. Whenever someone visited, he would say: "Look at what Sharon has done."'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 35

## Rik Hellewell

### Founder of Ovenu

A friend of Rik Hellewell's came back from a holiday in New Zealand and happened to mention that he had noticed an unusual barbecue-cleaning business out there that seemed to be doing well. Hellewell was intrigued. The operation was run by two men who would turn up in a van to dismantle the barbecue where it was. They would then clean it by immersing all the parts in an old cut-off oil drum filled with caustic soda.

His friend thought no more about it. But Hellewell did. He suddenly realised that the concept might work in Britain – on domestic ovens. He says: 'At that time you could get someone to do your ironing and window cleaning and mow your lawn, but having your oven cleaned was one of the only things left indoors that you couldn't get done professionally. I realised that it was a niche market with big potential.'

Brought up in Bradford, West Yorkshire, Hellewell originally planned to become an engineer. He left school at 16 to take up an apprenticeship with a local engineering firm.





But he quickly realised it was not for him, and as soon as he had finished his apprenticeship he left to join a carpet and upholstery cleaning company. He says: 'I was never very comfortable in a factory and being told what to do by people who didn't have the faintest idea themselves. I wanted to be the master of my own destiny.'

He stayed with the carpet-cleaning company for 10 years, rising to become a well-paid manager. But he always knew he wanted to run his own show one day and had often thought the service sector offered the most potential. When his friend told him about the barbecue-cleaning business Hellewell knew it was the opportunity he had been waiting for. He quit his job and using his knowledge of engineering spent £500 designing and building a portable cleaning tank that could hold every segment of a dismantled oven. Then he registered the design at the Patent Office to stop anyone stealing his idea.

Next he asked a local chemist to create a cleaning substance that, unlike existing products, did not contain

caustic soda. That meant it could clean every part of the oven without damaging it. Hellewell says: 'We didn't want to turn up and do half a job. We wanted to be able to clean the whole appliance. And by registering the design of the equipment and by having our own products, we weren't going to make it easy for anyone else to come in and try to compete.'

Then he went to the local council tip and dragged home a couple of old ovens on which to test his new cleaning system. He admits: 'There was a lot of trial and error. There is only one way you can learn something brand new and that is to get stuck in and do it. I wanted to make all the mistakes myself first.'

When he was satisfied he had got it right, he had some leaflets printed and took out an advertisement in the local paper. Then he waited for the phone to ring. Luckily it did. In the first year Hellewell cleaned 368 ovens. It was hard work doing it all himself. But he deliberately chose to work alone, because from the start he decided that if the concept worked then he wanted to be able to use the data he had collected to turn his Ovenu business into a franchise operation.

Hellewell says that after working for a big company he was convinced franchising would be the best way to grow his business. 'When I was working in the carpet game we had 120 subcontractors and it was just wall-to-wall hassle', he says. 'I wanted a system where people could own their business, but trade under a corporate identity. People who have got their own businesses tend to behave better than subcontractors because they are responsible for the direction of their business. You don't get the Friday afternoon syndrome.'

In the end, however, it took Hellewell five years of running his business alone before he felt he had enough

sales and marketing information to launch the franchise. He says: 'I was determined to make my business work. And if people know that the whole company is run by somebody who has been there, done it and got the T-shirt, they appreciate that and are going to want to work with you. There are a lot of companies being run by people who haven't got the faintest idea what goes on at the grass roots and I don't think that is terribly bright.'

His single-mindedness has paid off. Hellewell now has 130 franchisees with 200 vans between them, who pay a one-off fee of £9,750 to join Ovenu and a monthly fee of £165, producing a collective turnover which is expected to be £5 million in 2009. Hellewell has expanded his franchise overseas and last year started up a new venture, The Gredi Box, a plastic container which holds cooking ingredients, which he hopes will appeal to secondary school children doing compulsory food technology lessons.

He says: 'There is a huge amount of synergy between cooking, making a mess and what we do at Ovenu. This is going to introduce the next generation of clients to who we are.'

### Fact File

**Date of birth:** 6 November 1958

**Marital status:** twice married with six children

**Highest level of education achieved:** grammar school

**Qualifications:** six O levels, OND in Engineering

**Interests:** rugby, golf, spending time with his children

**Personal philosophy:** 'Believe in yourself. If you have self-doubt you are not going to get there.'

Success has, however, come at a price. Hellewell thinks his focused determination to make the business work and his long working hours contributed to the breakdown of his first marriage. Now 50, he says: 'Anybody can be successful at whatever it is they want to do if they want to do it enough. But you have to be prepared to put in the extra hours and be blinkered. You are not born lucky, you make your own luck.'

But Hellewell says the sacrifices were worth it. He admits he is totally driven by the idea of being the best: 'If you are going to do something, you have to do it wholeheartedly with the ultimate objective of winning the race. Nobody ever remembers the person who came second. I tell my kids that it is not the taking part that counts, it is the winning. There is nothing that makes you feel as good as picking up the reward for your efforts.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

# 36

## Jill Barker Founder of Green Baby

Jill Barker opened her tiny Green Baby shop in Islington, north London, selling only one type of product – nappies. And most of them were washable nappies which hardly anyone used any more. She says: ‘Everyone thought I was crazy. They thought it was just the silliest thing they had ever seen. They couldn’t understand what I was doing selling washable nappies when there were all these fantastic disposable nappies out there. They didn’t think anyone would come to my shop.’

Barker was brought up in Canada by her English mother and Dutch father and after university spent five years back-packing around the world. She would often stop off in London for a few months at a time to earn some money by doing temping jobs in the City. So when she finally stopped travelling at the age of 25, she decided to stay in London, where she was offered a job at the banking group NatWest. After seven years she had risen to become a salesperson on the derivatives trading floor and was on a substantial salary.



At the age of 32, however, Barker had a baby and it changed her outlook on life. She returned to her job but says: 'I realised I didn't want to be in the City any more. I was not enjoying it. I wanted to do something else.' She had also become increasingly interested in a very different subject. She says: 'My son got terrible rashes when I put nappies on him. So I started researching what goes into baby products – and it scared me.'

She tried to buy nappies that did not contain gels or chemicals, but when she discovered they were impossible to find in Britain Barker decided that the best solution would be to start up her own business selling natural baby products. So when she was made redundant from her City job soon afterwards, her pay-off of £45,000 gave her all the motivation she needed to put her idea into practice.

Barker soon found, however, that not everyone thought it was a good plan. She says: 'I went to my local business centre for advice but the adviser thought it was a stupid idea and tried to convince me out of it. He said I shouldn't go

into retailing because it was too difficult. I just ignored him and never went back to see him.'

Undaunted, she started sourcing chemical-free nappies from Sweden, Germany and Canada and in 1999 opened a little shop, painting it bright pink so it would be noticed. Fortunately, her instincts were spot on. 'Everyone thought my shop was so bizarre that I had a lot of press coverage and so I had a huge following from day one', she says. 'There were so many people out there, like me, who were searching for alternative products but could not find them. So when I opened my shop it was like opening the flood-gates.' She also discovered a surprisingly strong demand for washable nappies from parents who were concerned about the environmental impact of using disposable ones.

A few months after opening the shop Barker decided to produce a mail-order catalogue as well. But she was reluctant to invest money in it without knowing how well it would do, so she and her staff would pack up the orders in the shop in the morning before customers arrived. When the mail-order side took off, however, Barker realised that the time had come for her to invest in a proper sales operation. In 2000 she invested £25,000 of her savings setting up a warehouse close to the shop. Her business now sells everything from toiletries to clothing, cots and bed sheets.

A few of her ideas did, however, prove unworkable. Barker originally hoped to be able to look after her baby at the same time as running the company but she soon realised that this was not realistic. She says: 'I thought that because it was my business I could do what I wanted. But I quickly realised it was a really silly idea because I would spend all my time trying to sort out my baby. Or I would palm him off on the girls who worked in the shop and ask them to take him for a walk.'



Barker also realised quite early on that she had to make a decision as to whether she wanted to run a small cottage industry, or to grow the business as much as she could. She chose the latter. She says: 'I could have stopped at that point and stayed as a nice cosy business and drawn a nice salary from it. But I realised I couldn't stop – it wasn't in my nature. I wanted more. I decided I was onto a good thing and that it could grow. I thought I could make it a big business and create competition for the likes of Mothercare.'

Eight years ago Barker persuaded her husband to join the business as a partner, and he now takes care of company finances. Green Baby now has four shops in the UK and a thriving internet business at [www.greenbaby.com](http://www.greenbaby.com). Last year Barker also opened two shops in Beijing, China, to capitalise on the Olympic games being held there. Green Baby products are also stocked in several UK high street chains and are sold in Taiwan, Korea and Canada. As a result, turnover is expected to be £5 million in 2009.

She says: 'I guess I'm a very ambitious person. I always have been.' Celebrity customers include Kate Winslet, Madonna and Gwyneth Paltrow.

### Fact File

**Date of birth:** 12 March 1966

**Marital status:** married with one child

**Highest level of education achieved:** university

**Qualifications:** BA in Sociology from University of Calgary

**Interests:** skiing, horse-riding, hiking and camping

**Personal philosophy:** 'Work hard and take risks, and you will be rewarded.'

Now aged 43, Barker says the one disadvantage of running her own business is that she can never switch off. 'I miss the fact that when I was working in the City I could go home and shut off everything and I wouldn't have to think about what I would have to do tomorrow. But when you run your own business you are always thinking about what you have to do tomorrow.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 37

## Matt Stevenson

### Founder of Reef One

At the age of 10 Matt Stevenson had a goldfish called Jonny. But one day his sister decided to clean the stones in the goldfish bowl with bleach and sadly Jonny did not survive the experience. For Stevenson it was a pivotal moment. He says: 'I was upset but I was also confused because I could not understand why he had died when the tank had been cleaned. I didn't understand why you should not do certain things.'

He continued to keep fish as he grew up, gradually progressing from goldfish to tropical and marine fish. By the time he got to university he was carting round enormous fish tanks in the back of his car, and even rented a house so he could keep his fish with him. He decided to study product design, innovation and marketing at university, but soon discovered that his course had more in common with his fish-keeping than he had expected. 'Fish-keeping started off being just a hobby. But I realised that the skills I was learning in engineering and product design were lending themselves to solving some of the problems I had in keeping fish.'



In the end Stevenson decided to devote his third-year dissertation to designing and building an aquarium filter for specialist corals. At that point he realised there might be a market for new fish-keeping products that were easier to maintain than those available at the time. So after graduating he spent a year studying the aquatics market and devising products for which he thought there might be a demand. He drew up a list of 12 ideas and after asking his family what they thought, decided to develop one further. It was a circular aquarium called the biOrb.

He says: 'This one product really stood out. It was basically a high-tech approach to the traditional fish bowl. The traditional fish bowl is cruel to fish because it doesn't have a filter and doesn't have a lot of water in it. This overcame all those problems.'

But not everyone was convinced that he was doing the right thing. He says: 'Most of my friends thought I was mad because they were all going off to earn decent amounts of money. I got a first-class degree, which meant I could have

had a well-paid job straight away, but I didn't want to do that. I could see them thinking that perhaps Matt's got it wrong here. But I knew that what I had was good and that if I did it properly it could become a substantial business so I could reap the rewards later on.'

Stevenson spent two months making a prototype in his parents' attic and in 1999 invited wholesalers and retailers round to take a look while his mother made them cups of tea. His belief in his product paid off. One wholesaler promptly put in an order for 1,000 biOrbs. On the strength of that single order Stevenson decided to form a limited company and bring his parents on board, one as a director, the other as company secretary.

He says: 'My father had just retired and he was obviously bored because he kept looking over my shoulder a lot saying "That's interesting, what are you up to there?" Eventually it got to the point where he was sitting in on most of the meetings.'

Stevenson and his parents raised £30,000 between them to get the venture off the ground. His parents put in some of their savings while Stevenson raised his share by selling his sports car. Right from the start he decided to make the aquaria himself and rented a small industrial unit to assemble parts that he sourced from around the world. 'I think part of the reason it has been so successful is because by making it ourselves we have learnt how to improve it', he says.

The order for 1,000 units was quickly followed by a repeat order from the same wholesaler, and then another. In fact, the wholesaler was so determined to be the exclusive seller of the biOrb that for the first nine months he bought Stevenson's entire output. It was an enormous boost. Stevenson says: 'It allowed us to look at making the product properly rather than having to think about the selling side of it. We were selling them as fast as we could make them.'

His company Reef One now makes several versions of the biOrb. The company has 20 full-time employees and turnover is currently £6.5 million a year.

Stevenson says his mission is to take away some of the confusion that surrounds fish-keeping. 'When people go into a fish shop they are faced with a bewildering list of things to buy, but most people don't want to know how to wire up a fish tank or what chemicals to add. They just want to keep fish. So our job is to work that all out for them and take away those question marks.'

Now 33, he puts his success down to a combination of determination and self-confidence: 'It took a lot of self-belief because a lot of people didn't understand what we were trying to achieve. It was dogged determination, long hours and hard work.'

He still keeps about 30 fish as a hobby, and last year bought himself a brand new sports car to replace the one he had been forced to sell. 'It was at that point I realised I had come full circle', he says. 'I always dreamt about doing a James Dyson and it is very exciting to be achieving it. It is the stuff of schoolboy dreams.'

### Fact File

**Date of birth:** 22 October 1975

**Marital status:** single

**Highest level of education achieved:** university

**Qualifications:** BSc (Hons) in Product Design, Innovation and Marketing from Derby University

**Interests:** scuba diving, motorsports

**Personal philosophy:** 'Lead, don't follow.'

# 38

## Sally Wilton Founder of Etc Venues

When Sally Wilton started her own company providing training and conference facilities she was determined to present a highly professional image so that clients would think they were dealing with a much larger company. The illusion was, however, short-lived.

Just a few weeks after opening, her nanny called in sick at the last minute so Wilton had to take her baby in to work. Then the tea lady failed to show up as well. So Wilton ended up having to push the tea trolley round to clients herself – with her six-month-old son asleep on the bottom shelf. She says: ‘The first few weeks were really chaotic. We had to learn very quickly about everything. We just survived on adrenalin and enthusiasm.’

Fortunately Wilton already had a lot of experience dealing with challenging situations. Brought up in Nigeria where her father worked for the government, her life was turned upside down at the age of eight when she was sent to boarding school in Northern Ireland. Within a year she had been expelled for disruptive behaviour. She says: ‘I had an





absolutely idyllic childhood out in Nigeria and I was a very happy child. But when I came to Ireland I went to boarding school and it was a very unhappy experience. I just found the rules and regulations very difficult to understand. I never did grasp the concept of walking in a crocodile.'

Wilton dreamt of escaping Ireland to become a zoologist, and when she left university she got a job on a fish farm in Canada before heading to Tanzania to manage a trout farm. 'I could see Mount Kilimanjaro from my veranda', she says. 'It was the most physically beautiful place I have ever been to. It was terrifically exciting.'

But at the age of 26 Wilton realised she had other priorities in her life. She explains: 'Fish farming was very interesting, but it was also quite lonely because I was by myself and I realised the chances of meeting and having a relationship with somebody would be quite low. I decided it was time to move on.' She returned to London but found it impossible to get work. She ended up spending a year doing odd jobs painting and decorating.

She says: 'I applied for about 100 jobs doing anything and everything but I didn't get a single interview. It taught me a lot about being unemployed and not being able to afford the bus fare to go somewhere.' Eventually Wilton found a job providing business advice to worker co-operatives, and then moved to work for a venture capital company.

However, she soon realised that the firm was being held back by the high cost of renting the space it used. She decided there might be a gap in the market for a business that provided affordable training and conference venues which companies could hire from half a day to several months. As well as the space itself, she could provide clients with everything from data projectors and sound systems to lunch and evening drinks receptions.

The only problem was finding a suitable place to hire out. But that dilemma was solved when the man who owned a nearby building offered her 4,000 square feet of empty space at a low rent to get started. So in 1992 Wilton quit her job, persuading three colleagues from her old firm to join her, and invested her life savings of £15,000 in the venture, spending the money on setting up a kitchen in the building and buying art for the walls.

'I felt very strongly that the company should try to present an image of how we wanted to be rather than how we were', she says. 'In reality we had to do everything ourselves from moving the furniture at night to doing the waitressing.'

The concept took off and as demand for her services grew she took over more and more space until she eventually bought the whole building. But then came September 11. Orders dried up and competition intensified as hotels scrambled for conference business to compensate for the downturn in the number of American visitors.

Wilton says: 'From being in a position where it seemed like we could do nothing wrong, suddenly we were faced with a price war as hotels became fierce competitors. We had to reassess the whole business. I worked as hard as I had when I started it up.'

In a strange way, however, the setback also proved rewarding. She says: 'If the truth be told I had become a bit bored because the business wasn't as challenging as it had been. But when this happened it became much more intellectually stimulating and fun again. From having been a reactive company where we were just taking people's business, we suddenly had to be much more proactive and work very closely with our clients again. It re-energised me and business became a thrilling adventure again.'

In an effort to get back on track, Wilton employed a business development manager and invested heavily to secure sales. It worked. By 2006 the company had sales of £9.5 million, six venues across London and employed 130 people.

### Fact File

**Date of birth:** 27 June 1955

**Marital status:** separated with two children

**Highest level of education achieved:** university

**Qualifications:** BSc in Zoology from Durham University, MSc in Aquaculture and Fisheries Management from Stirling University

**Interests:** cinema, art, reading and walking.

**Personal philosophy:** 'Failure is not an option. Success is a result of hard work and a bit of luck.'

In July 2006 Wilton sold the business, in which she had a majority stake, for £10 million to a private equity firm, Dunedin, which invested a further £10 million into the business as part of the deal. She has since embarked on another venture, creating a community art house in Kensal Rise, north-west London, where she lives. Inspired by the tornado which hit the area in 2006, which fostered a great community spirit amongst her neighbours, Wilton opened the Pinkham Lighthouse in 2008, which consists of a cinema, a theatre, a place for live music and a bar. She will run the venue as a business venture but 100 per cent of the profits will go to a charity called the Sustainability Institute, which helps support an eco-village in South Africa.

She says: 'I found the period after selling the business really difficult. It was just the shock of suddenly giving up my "third child" and having nothing to do. It took me a while to get used to that. But I am really excited about this.'

Wilton, now aged 53, says: 'I have been really lucky because everything I have done I have really enjoyed. My father was a big influence on me because he had a number of careers and enjoyed each one in very different ways, and that has guided me through all of this.'

She adds: 'I think if you don't wake up in the morning and think "I really want to do this, I really love it", then you shouldn't be doing it.'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 39

## Charlie Bigham

### Founder of Bighams

Charlie Bigham had a comfortable life in London and a well-paid job with a management consultancy, but he had always wanted to start his own business. So when he was 28 he gave up his job, bought a camper van and spent nine months driving overland to India with his girlfriend in the hope of finding inspiration.

He found it while eating food in local markets along the way. He says: 'I suddenly realised my business should be about food and preparing the ingredients to be cooked quickly, because that is what everybody does around the world. If you go into a market in Turkey or Morocco, there will be somebody with a stall and a bunch of fresh ingredients – you sit down in front of them and they just toss them in a pan, and it's ready. I realised that convenience doesn't have to mean putting something in a microwave and pressing a button. It can mean quick, fresh food.'

Bigham initially toyed with the idea of opening a chain of shops in the UK selling fresh ingredients. But he soon



decided the best plan would be to set up a business preparing fresh food kits for people to cook themselves at home.

Brought up in London and Ireland, Bigham studied English literature at university but had always had an interest in food. 'To me, the best meal is when you come home starving and there's nothing in the fridge, but then you find something hidden in a corner and something else in the store cupboard and you're forced to think creatively about what you are going to eat', he says. 'You can have some really legendary meals.'

By the time he got back to London in 1996, Bigham was ready to put his plan into action. He sold the camper van to buy a computer, and got a job in a delicatessen in order to gain experience of working with food. He also started experimenting in his kitchen, preparing dishes of Cajun chicken, salmon and zesty Caribbean lamb. Then he called up Waitrose, the supermarket chain, to see if they would be interested in stocking his food kits. They said yes. He says: 'I just rang the switchboard and said I had this great idea. I

got put through to somebody who said “Come in and show it to us.”

There were, however, a few hurdles to clear before the business could be set up. Bigham had to contact 15 banks before he found one prepared to let him open a business account, even though he was not asking to borrow anything and was investing £20,000 of his own money in the venture. He also had to change his product. He started out producing complete meal kits, but after doing cooking demonstrations in stores and talking to customers he quickly realised they wanted something different.

He says: ‘They were saying they loved the salmon and watercress sauce, but they didn’t like the fact that we had put broccoli with it – or they didn’t want to pay a premium for potatoes or rice because they already had some at home. So we switched from making meal kits to doing marinated meat or fish plus a sauce, because those are the bits that most people don’t want to do themselves.’

After three years Bigham hit another hurdle. He had rented a small catering unit to prepare his products, but one day Waitrose told him that the premises did not meet its stringent health and safety standards. If he wanted to continue to supply their supermarkets, he would have to move to larger premises. Bigham told them he would be happy to do so – provided Waitrose gave him more business so that he could finance the move.

His quick thinking paid off. The following week Waitrose tripled its order, and Bigham suddenly went from supplying four recipes to 50 shops to supplying 12 recipes to 70 shops. He says: ‘I came to work one day and the company was three times as big as it had been the day before.’

Bigham decided to move the business into premises five times bigger, at a cost of more than £1 million. He footed the bill with the help of a £70,000 grant from the Department



of Trade and Industry, a £30,000 grant from a local enterprise agency and a £250,000 bank loan secured through the Small Firms Loan Guarantee scheme. Happily, the investment paid off and the business was able to grow for the next four years before Bigham secured another round of significant investment and opened a second site in 2005. Bighams now produces over 100 different dishes and is expected to achieve sales of £18 million in 2009.

Now 41 and married with four children, Bigham says he is driven by the desire to enjoy what he does – and to be free to decide exactly how he spends his life. He says: ‘I’m not very good at working for other people. I don’t like being told what to do. I like being in control of my own destiny. It’s very simple – I’m trying to have a good time. We spend many hours at work and I find it hugely depressing that a lot of people go to work and hate it. I feel hugely privileged that I come to work and enjoy it.’

### Fact File

**Date of birth:** 21 April 1967

**Marital status:** married with four children

**Highest level of education achieved:** university

**Qualifications:** MA (Hons) in English Literature from Edinburgh University

**Interests:** travel, being outside, preferably near the sun or up a mountain, going to the theatre

**Personal philosophy:** ‘Enjoy what you do and take pride in it because then you will do it well.’

Bigham says his only regret was not having the courage to start his own business sooner. 'I was dilly-dallying, thinking shall I, shan't I? But I should have just started it because even when I was working 22 hours a day and being paid nothing it was still more fun than working for someone else. These days when people ask my advice about starting up a business, I tell them "Just do it now."'

THIS PAGE IS INTENTIONALLY LEFT BLANK

## 40

## Philip Hughes

### Founder of The Ice Box

At one time the words 'ice sculpture' meant carved swans and dolphins at seafood buffets on cruise ships. Not any more. These days an ice sculpture might easily be anything from a chandelier to a work of art or a life-size model of a car. It may even have freezing-cold vodka flowing through the middle of it.

Much of this transformation is due to the efforts of Philip Hughes, whose company The Ice Box has spent the past 11 years reinventing the concept of ice sculptures by dreaming up stunning creations for film premieres and showbiz parties. For the opening of the Baltic Mills gallery in Newcastle his team spent weeks creating a full-size model of an Audi TT. For the royal premiere of the Bond film *Die Another Day* it built a 30-metre drinks bar entirely from ice.

Born in Lancashire, Hughes's childhood was divided between boarding school in Sussex and Africa and the West Indies where his father worked for a big oil company. He would often stay in lovely hotels and decided he wanted to



work in one when he was older. So when he left school at the age of 18 he joined a management training scheme with Holiday Inn and gradually worked his way up the industry.

Hughes was on holiday with his family in Boston, Massachusetts, when he visited an ice-making factory and suddenly realised that ice could have huge commercial potential in Britain too. He says: 'I had always been fascinated by ice sculptures, but in Britain they were so cheesy. Then I realised it didn't just have to be a lump of ice carved in the shape of a swan. You could do so much more with it. In America they are in another league when it comes to ice sculpture. People don't think twice about getting one to celebrate any kind of family occasion. Yet nobody in Britain had spotted the potential market opportunities. I thought it would be a wonderful thing to do.'

Hughes also thought there might be a demand for a round-the-clock ice-delivery business which delivered according to the demands of the customer rather than the supplier. He says: 'If a bartender runs out of ice at 5 o'clock

in the evening, he needs more right then, not at 7 o'clock the following morning. But suppliers would say they would be there and wouldn't show up, and when they eventually did, the ice would have turned into bags of water.'

Turning his vision into reality was, however, a bold step. By this time Hughes had a well-paid job as operations director with Forte, the hotel group, and he and his wife had just had their first baby. He says: 'I had a comfortable corporate existence and I would go on research trips to America and France, staying in the best hotels. My friends thought I was mad to leave. But I wanted to get the entrepreneurial juices flowing and create something of my own.'

He took a course in ice-sculpting, then he spent the family's entire life savings of £15,000 together with a £5,000 grant from Wandsworth Enterprise Agency buying an ice-making machine and a van. He says: 'At the beginning my wife and I used to sit in a cafe with a mobile phone just waiting for it to ring with an order. There were times when I said "What am I doing? I could have had a company car and weekends off."'

To his relief, however, he discovered there was more than enough demand for his cubes and sculptures to make his vision work. He says: 'In the first year we completely surprised ourselves because the business did better than we thought it would. We hadn't anticipated earning anything out of it in our business plan and yet it made a return. It was a bit of a boost. And then in the second year that more than doubled.'

As the business grew Hughes initially found it hard to deal with the changing nature of his relationship with his employees. He says: 'I had to go through an evolution process as we outgrew being a cottage industry. As the business grew I was not at the coalface as much and so was not there to motivate people on a daily basis. So I had to

introduce systems to maintain the quality and standards. That was very tough.'

Eleven years on his gamble had paid off. By 2004 the Ice Box had its own automated ice-making factory and was the biggest supplier of ice cubes in London with sales of £3 million.

But then disaster hit when Hughes decided to invest heavily in a new project called The Ice Space, an indoor ice exhibition in London. The venture did not attract the customers he had hoped for and within months it had gone bust, causing a big financial hit to both The Ice Box business and also to Hughes personally, who had to sell the family home to cover the losses.

In 2008 Hughes sold the manufacture and delivery side of the Ice Box business for £700,000 and is now in the process of transforming the remaining part of the business into a brand and marketing agency which is able to use ice sculptures as a unique attention-grabbing element in major campaigns. Events which have featured Hughes's ice sculptures include the London film premiere of *Sex and The City*

### Fact File

**Date of birth:** 11 August 1959

**Marital status:** separated with three children

**Highest level of education achieved:** college

**Qualifications:** Holiday Inn management training scheme

**Interests:** fine wines, food, classic cars

**Personal philosophy:** 'To succeed at anything in life you have to apply passion.'

and Elton John's White Tie and Tiara ball. Other projects have included building an Ice House in Germany visited by over 50,000 visitors. The business is expected to turn over £1.5 million in 2009.

Despite the rollercoaster ride Hughes, 49, has no regrets about taking the plunge and becoming an entrepreneur. 'I live or die by my own success now. The buzz is incomparable. I think life is about using the passion and energy you have, and every day I am doing what I want to do and that is a great feeling. I really believe that if you want to do something enough, then you should do it. Because if you don't, you will regret it.'



The sharpest minds  
need the finest  
advice. **Kogan Page**  
creates success.

For More Free books PDF  
[www.engbookpdf.com](http://www.engbookpdf.com)

[www.koganpage.com](http://www.koganpage.com)

You are reading one of the thousands of books published by **Kogan Page**. As Europe's leading independent business book publishers **Kogan Page** has always sought to provide up-to-the-minute books that offer practical guidance at affordable prices.

